

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Persephone Brewing/Crannog Ales, Date TBD**

Ref: 186501

Date: July 31, 2017

**Issue:** Information for meeting with Persephone Brewing and Crannóg Ales representatives regarding breweries on the Agricultural Land Reserve (ALR).

**Background:** B.C.'s craft beer industry is experiencing rapid growth. Currently, there are approximately 125 craft breweries in the province and growing.

The Agricultural Land Reserve Use, Subdivision and Procedure Regulation ("the Regulation") sets out the farm and non-farm uses which can be undertaken on the ALR on a permissive basis. 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 Regulation, meaning that 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 Regulation 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. The ALC has further interpreted the regulation to clarify that for beer, the farm product used to calculate the 50 percent farm product requirement is grain (e.g. barley), not hops due to the small quantities of hops involved in the beer making process (see Appendix 1 for the relevant language in the Regulation.) Wineries, by contrast, can achieve the 50 percent farm product requirement through a combination of on-farm and off-farm production, provided they are cultivating grapes on at least two hectares of land (known as "the two hectare rule.")

The current differentiated treatment of breweries, distilleries and meaderies compared to wineries and cideries balances support for farmers and growth of the agriculture sector with concerns raised during stakeholder consultations about the potential impacts of "pubs" operating on the ALR on tax equity, neighboring farms, municipal services and public safety, particularly if sales of alcohol produced off-farm were also permitted.

For context, in order to meet the production level of a "small" brewery (i.e. producing up to 1,500,000L of beer per year, as defined by the Liquor Distribution Branch), a brewery would need to have approximately 100 hectares of land under production in barley. By contrast, a winery could produce any volume of wine, as long as it has two hectares of land under cultivation in grapes.

While breweries, distilleries and meaderies do not receive identical treatment under the Regulation as that provided to wineries and cideries, it was determined that extending designated farm uses to include a broader range of alcoholic beverage processing activities struck a balance between increasing opportunities for farming and farm families while also respecting local governments' concerns about "pubs" on the ALR if given identical treatment.

Recent media coverage has highlighted the examples of two B.C. craft breweries that established operations prior to the June 2015 amendments to the Regulation:

- Crannóg Ales, which operates on a 10-acre ALR parcel in Sorrento. Crannóg Ales produces 98 percent of the brewery's hops, as well as the fruit and herbs used in their beer, on its own farm. While there is no record of an Agricultural Land Commission (ALC) application by Crannog, ALC staff have confirmed that the ALC determined in response to an inquiry from the landowner that the operation fit with the regulations for a home based business that existed at that time (i.e. 1999-2000) and an application was not necessary.

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- Persephone Brewing Company, which operates a brewery on an 11-acre ALR parcel in Gibsons. Persephone cultivates hops on one acre, with another five acres in development, and leases one acre and two greenhouses to a third party for vegetable production. When Persephone established operations on the ALR in 2013, the landowner was required to make an application to the ALR for non-farm use, which was not done. In a late 2016 decision denying a non-farm use application from Persephone (see Attachment 1), the ALC cited the after-the-fact nature of the application and that the brewery is primarily a non-farm processing facility that could be located outside of the ALR among the reasons behind its decision.

This situation is leading to mounting pressure from the craft beer industry to amend the Regulation to provide more opportunities for breweries in the ALR. (See Attachments 2-4 for previous correspondence with breweries on this topic.)

**Discussion:** As the major industry association for craft brewers, the B.C. Craft Brewers Guild has been working with government to grow the industry (see Appendix 2 for a list of business development programs and resources available to B.C. craft brewers.) The Guild has focused its policy advocacy with government on a general theme of achieving comparable treatment for breweries as that provided to wineries. Although the Guild has previously approached the Ministry regarding the “two hectare rule” at the request of its members, the Guild’s top priorities are focused on issues related to liquor mark-up and product placement on store shelves, both of which fall outside the Ministry’s mandate. Rather, the request for regulatory amendments regarding ALR land use appears to be driven by Persephone’s non-compliance issue and is not an industry-wide priority and concern.

Direct comparisons between how government supports the growth of craft breweries versus wineries may not be appropriate for a number of reasons. For example, there are significant differences in the input requirements for craft beer and wine. Craft breweries produce an often-changing line of products with varying ingredients that are selected for a range of quality and flavour characteristics, making it difficult for a single farm – no matter its size – to meet the brewer’s needs. By contrast, vineyards often cultivate a few varieties of grapes over a long period (e.g. up to 30 years), that are selected based on how they will interact with soil and climate conditions to produce desirable place-based characteristics in the final product. Further, a well-equipped winery – even a small one – can often meet its own processing needs while few small brewers can independently process raw products into beer, specifically the malting of the barley is a constraint.

B.C. craft breweries have thrived so far without preferential treatment by government to strengthen their competitiveness. By contrast, the range of beneficial government policies for wineries were initially put in place to bolster the competitiveness of B.C. wines, which may otherwise struggle to compete with low-cost imported products (e.g. California, Australia). B.C. craft breweries may not be open to the additional requirements or government oversight the government would likely demand under a more preferential policy approach to supporting industry growth (e.g. stringent restrictions on origin and quality of ingredients, multiple government and industry-based compliance auditing processes).

Finally, the impact of building a processing facility on agricultural land – whether for the purpose of processing wine, beer or other food or beverage products – has long-term impacts on the land’s productive capability. While hops production is a legitimate farming activity on ALR, the current approach recognizes that the quantity of hops used in brewing beer is small, compared to the volume of other dry ingredients and does not justify the establishment of a brewing facility of agricultural land. Given that B.C. has a limited amount of land suitable for agricultural production (about five percent of its total area), decisions to increase the number of industrial activities on ALR should be considered from a long-term perspective.

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**Suggested Response:**

- The Ministry is supportive of B.C.'s growing craft beer industry and has a range of programs and services that can help support its continued growth.
- The current ALR land use regulations recognize that there are underlying differences between beer and wine that may require differential treatment, despite the growth in the craft beer industry.
- Individuals wishing to establish a brewery on the ALR should make a non-farm use application to the independent ALC prior to beginning operations.

Contact: Emily Shaw, Corporate Governance, Policy and Legislation, 250-387-3232

A/ED

ES

ADM JM

DM JM/Acting  
DM

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with Persephone Brewing/Crannog Ales, Date TBD

Appendix 1

**Agricultural Land Reserve Use, Subdivision and Procedure Regulation**

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

- (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 percent 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 percent 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.*
- (2.3) A brewery, distillery or meadery, and ancillary uses, are designated as farm uses for the purposes of the Act if at least 50 percent of the farm product used to make the beer, spirits or mead produced each year is grown on the farm on which the brewery, distillery or meadery is located.*

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Appendix 2

**LIST OF PROGRAMS AND SERVICES AVAILABLE TO BC CRAFT BREWERS**

In an effort to provide transparency and equal opportunity to all sectors and companies, the Ministry of Agriculture's approach has been to develop programs and services that are accessible to all BC agrifood and seafood companies including individual craft brewers or the BC Craft Brewers Guild. These include:

**Buy Local Program:** The Program provides cost shared funding (50/50 matching funds) to support domestic market development of BC agrifood and seafood (agrifoods) products.

**BC Agrifood and Seafood Market Development Seminar Series:** This series of workshops and seminars help increase the capacity of BC agrifood and seafood companies to expand domestic and international markets for their products. This includes domestic marketing workshops which help BC companies understand how to expand their sales within BC; new exporter workshops which help BC companies understand how to expand their sales into international markets; export market opportunity seminars which help BC exporters understand how to capitalize on opportunities in specific export markets; and e-commerce seminars which help BC companies understand how to sell their products online.

**BC Agrifood and Seafood Market Development Preparedness Program:** This program provides cost-shared funding (75 percent government/25 percent industry) to support the development of effective marketing/export plans, to purchase primary and secondary market research, and to facilitate marketing skills development.

**BC Agrifood and Seafood Export Program:** This program provides cost-shared funding to BC agriculture, food and seafood companies to increase export sales. The program allows for participation in international market development activities such as tradeshow, incoming and outgoing buyer missions and tabletop events.

**International Tradeshow, Trade Missions and Promotional Events:** The Ministry of Agriculture and the Ministry of International Trade coordinate and support BC participation in various international tradeshow, trade missions and promotional events in Asia, Europe and the United States to help connect BC exporters with international buyers.

**Canada-BC Agri-innovation Program:** This program provides cost-shared 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 BC.

**General Information on Domestic and Export Marketing:** There are links to many of the above mentioned activities as well as other useful links on the government's domestic marketing page on-line that may be of assistance at: <http://www2.gov.bc.ca/gov/topic.page?id=95CBB45B032841898F892CB45E742EF9>

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**Agricultural Land Commission**  
133-4940 Canada Way  
Burnaby, British Columbia V5G 4K6  
Tel: 604 660-7000  
Fax: 604 660-7033  
www.alc.gov.bc.ca

December 19<sup>th</sup>, 2016

ALC File: 55596

Brian Smith  
1053 Stewart Road,  
Gibsons, BC V0N 1V7

Dear Mr. Smith:

**Re: Application to Conduct a Non-Farm Use in the Agricultural Land Reserve (ALR)**

Please find attached the Reasons for Decision of the South Coast Panel (Resolution #437/2016) as it relates to the above noted application.

**Reconsideration of a Decision as Directed by the ALC Chair**

Please note that pursuant to s. 33.1 of the Agricultural Land Commission Act, the Chair may direct the executive committee to reconsider any panel decision if, within 60 days from the date of this decision, he considers that the decision may not fulfill the purposes of the commission as set out in s. 6, or does not adequately take into consideration s. 4.3.

You will be notified in writing if the Executive Committee is directed to reconsider your decision. The Commission advises you to take this 60 day period into consideration prior to proceeding with any actions upon this decision.

**Reconsideration of a Decision by an Affected Person**

We draw your attention to s. 33(1) of the Agricultural Land Commission Act which provides a person affected the opportunity to submit a request for reconsideration.

33(1) On the written request of a person affected or on the commission's own initiative, the commission may reconsider a decision of the commission under this Act and may confirm, reverse or vary it if the commission determines that:

- (a) evidence not available at the time of the original decision has become available,
- (b) all or part of the original decision was based on evidence that was in error or was false.

For further clarity, s. 33.1 and s. 33(1) are separate and independent sections of the *Agricultural Land Commission Act*.

Further correspondence with respect to this application is to be directed to Kelsey-Rae Russell at (KelseyRae.Russell@gov.bc.ca).

Page 2 of 2

Yours truly,

PROVINCIAL AGRICULTURAL LAND COMMISSION

A handwritten signature in black ink, appearing to read 'K Russell', written in a cursive style.

Kelsey-Rae Russell , Land Use Planner

Enclosure: Reasons for Decision (Resolution #437/2016)

cc: Local Government (File: F-49)

555961





**AGRICULTURAL LAND COMMISSION FILE 55596**

**REASONS FOR DECISION OF THE SOUTH COAST PANEL**

**Application submitted pursuant to s. 20(3) of the *Agricultural Land Commission Act***

**Applicant:**

**Persephone Brewing  
Company Inc.  
(the "Applicant")**

**Agent:**

**Brian Smith  
(the "Agent")**

**Application before the South Coast Regional Panel:**

**William Zylmans, Panel Chair  
Gordon McCallum**



## **THE APPLICATION**

- [1] The legal description of the property involved in the application is:  
Parcel Identifier: 019-112-076  
Lot A, District Lot 914, Plan LMP20836  
(the "Property")
- [2] The Property is 4.6 ha in area.
- [3] The Property has the civic address 1053 Stewart Road, Gibsons, BC
- [4] The Property is located within a designated agricultural land reserve ("ALR") as defined in s. 1 of the *Agricultural Land Commission Act* (the "ALCA").
- [5] The Property is located within Zone 1 as defined in s. 4.2 of the ALCA.
- [6] Pursuant to s. 20(3) of the ALCA, the Applicants are applying to continue to operate Persephone Brewing which includes a tasting room, food truck and outdoor seating areas (the "Proposal"). The Proposal along with supporting documentation is collectively the application (the "Application").

## **RELEVANT STATUTORY PROVISIONS**

- [7] The Application was made pursuant to s. 20(3) of the ALCA:

20(3) An owner of agricultural land or a person with a right of entry to agricultural land granted by any of the following may apply to the commission for permission for a non-farm use of agricultural land.

The Panel considered the Application within the context of s. 6 of the ALCA. The purposes of the Agricultural Land Commission (the "Commission") set out in s. 6 are as follows:



6 The following are the purposes of the commission:

- (a) to preserve agricultural land;
- (b) to encourage farming on agricultural land in collaboration with other communities of interest; and
- (c) to encourage local governments, first nations, the government and its agents to enable and accommodate farm use of agricultural land and uses compatible with agriculture in their plans, bylaws and policies.

#### **EVIDENTIARY RECORD BEFORE THE PANEL**

[8] The Panel considered the following evidence:

- 1. The Application
- 2. Local government documents
- 3. Public comments from third parties of which disclosure was made to the Agent
- 4. Agricultural capability map, ALR context map and satellite imagery
- 5. Site Visit Report
- 6. October 2014 correspondence between the Agent and ALC Staff

All documentation noted above was disclosed to the Agent in advance of this decision.

[9] At its meeting of June 23<sup>rd</sup>, 2016, the Sunshine Coast Regional District resolved that the application should be approved and forwarded to the Commission for consideration.

#### **SITE VISIT**

[10] On November 1<sup>st</sup>, 2016, the Panel conducted a walk-around site visit in accordance with the *Policy Regarding Site Visits in Applications* (the "Site Visit").

[11] A site visit report was prepared in accordance with the *Policy Regarding Site Visits in Applications*. The site visit report was certified as accurately reflecting the

observations and discussions of the Site Visit by Brian Smith on November 7<sup>th</sup>, 2016 (the "Site Visit Report").

## **FINDINGS**

[12] In assessing agricultural capability, the Panel referred in part to agricultural capability mapping and ratings. The ratings are identified using the Canada Land Inventory (CLI), 'Soil Capability Classification for Agriculture' system. The improved agricultural capability ratings identified on CLI map sheet 92G/5 for the mapping units encompassing the Property are Class 4 and Class 5, more specifically 70% 4MP and 30% 5MP.

Class 4 - land is capable of a restricted range of crops. Soil and climate conditions require special management considerations.

Class 5 - land is capable of production of cultivated perennial forage crops and specially adapted crops. Soil and/or climate conditions severely limit capability.

The limiting subclasses associated with this parcel of land are M (moisture deficiency) and P (stoniness).

In this regard, the Panel finds that the land making up the Properties is capable of supporting agriculture and is appropriately designated within the ALR.

[13] The Applicant has been in operation since 2013, which pre-dates the inclusion of breweries as a permitted farm use in BC. Regulation 171/2002 Agricultural Land Reserve Use, Subdivision and Procedure Regulation in June 2015. Prior to the inclusion of breweries into the Regulation, the Commission has consistently informed local governments and landowners that breweries were not expressly permitted by the Regulation.

[14] In June 2015, the Regulation was amended to include breweries as a designated farm use pursuant to s. 2(2.3) which states:



*s. 2. (2.3) A brewery, distillery or meadery, and ancillary uses, are designated as farm uses for the purposes of the Act if at least 50% of the farm product used to make the beer, spirits or mead produced each year is grown on the farm on which that brewery, distillery or meadery is located.*

[15] The Application states that they currently grow hops on the Property which are used in the brewing process and that all of the barley used for the brewery is sourced from other locations not associated with the farm. ALC Policy L-21 *Activities Designated as Farm Use: Brewery, Distillery and Meadery in the ALR* clarifies that for beer, the farm product used to calculate the 50% farm product is grain and not hops due to the (small) quantities of hops involved in the beer making process. As the Applicant does not produce at least 50% of the farm product used to make the beer on the farm on which the brewery is located, the Panel finds that the existing brewery has historically been, and is currently operated in contravention of the ALCA and Regulation.

[16] The Panel has been put in a difficult position whereby the proposed non-farm use, is in fact, an existing non-farm use. In a situation where the Panel must retroactively consider a non-farm use, the Panel must give consideration as to whether or not it would have allowed the proposed use if the contravention had not taken place. The Panel considered the proposal to operate a brewery on the Property which sources all of the barley used for the beer from other locations. The Panel finds that the brewery as currently operated is a non-farm processing facility and therefore could be located outside of the ALR.

[17] The Agent stated during the Site Visit that Persephone Brewing is in the process of expanding its operations onto industrially zoned land. For this reason, the Panel supports the relocation of the brewery as currently operated, to more appropriately zoned land outside of the ALR.

[18] At the time of the Site Visit, the Panel observed that there was a grain silo to be used for barley storage awaiting installation on the Property. By way of submitting the Application, the Applicant was aware that the Proposal is a non-farm use which may or may not be approved. The Panel understands that the Applicant has invested a substantial amount of





capital into Persephone Brewing; however, the Applicant has continued to operate, expand, and invest in the brewery facility prior to receiving a decision from the Commission. In order to provide the Applicant with a reasonable amount of time to relocate their business, the Commission will defer enforcement actions against the contravention for a period of two (2) years from the date of the release of this decision. The Applicant must demonstrate compliance with the ALCA and Regulation or relocate to lands outside of the ALR at the end of this two year period.

### **DECISION**

[19] For the reasons given above, the Panel refuses the Proposal to continue to operate Persephone Brewing which includes a tasting room, food truck and outdoor seating areas associated with the brewery.

[20] These are the unanimous reasons of the South Coast Panel of the Agricultural Land Commission.

[21] A decision of the Panel is a decision of the Commission pursuant to s. 11.1(5) of the *Agricultural Land Commission Act*.

[22] This decision is recorded as Resolution #437/2016 and is released on December 19<sup>th</sup>, 2016.

### **CERTIFICATION OF DECISION**

A handwritten signature in black ink, appearing to read "W. Zylmans", is written over a horizontal line.

William Zylmans, Panel Chair, on behalf of the South Coast Panel

**END OF DOCUMENT**

**From:** [Brian Smith](#)  
**To:** [Minister, AGRI AGRI:EX](#)  
**Cc:** [Ken Beattie](#); [Mack, James AGRI:EX](#)  
**Subject:** 185505 Incoming --Breweries on the ALR, meeting request  
**Date:** Sunday, February 26, 2017 8:31:42 AM  
**Attachments:** [Coalition Letter to the Honourable Norm Letnick v.2.pdf](#)

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Greetings Minister Letnick,

I have cc'd Ken Beattie, Executive Director of the BC Craft Brewer's Guild, as he and I would like to request a meeting with yourself in the next couple of weeks. Rumour has it that you might be visiting the Sunshine Coast at which time we'd love to show you our farm and discuss things onsite. Alternatively, both of us are prepared to come to you in Victoria or Vancouver as your schedule may allow. Another possibility is to come to you in the Okanagan, where we'd be happy to show you Crannog Ales farm-based operation in Sorrento.

As you know there is substantive support from farmers, brewers and the general public to update the ALR Regulations to achieve these three ends:

1. Give breweries the same rules as wineries and cideries.
2. Recognize hops as an appropriate agricultural crop for BC.
3. Protect ag land while making it viable for farm-based small business.

A coalition of supporters have endorsed the attached letter and recommendations therein. We believe that these recommendations generate a win-win-win for farmers, brewers, communities and the provincial government, alike. We are planning to publish this Letter, along with an online petition, soon.

If you are amenable to meeting us, please send us your availability as soon as possible so that we will reply in kind.

Sincerely,  
Brian

Brian Smith  
CEO/Owner  
Persephone Brewing Co.  
604-928-8931



March 1, 2017

Honorable Norm Letnick  
Minister of Agriculture  
PO Box 9043 Stn Prov Govt  
Victoria, BC V8W 9E2  
Via email to [AGR.Minister@gov.bc.ca](mailto:AGR.Minister@gov.bc.ca)

Honorable Norm Letnick, Minister of Agriculture:

**We request that you update Section 2 (2.3) of the ALR Regulations to ensure the feasibility of farm-based breweries growing agricultural crops, including hops.**

Specifically, we recommend updating Section 2 (2.3) to read:

*A brewery, distillery or meadery, and ancillary uses, are designated as farm uses for the purposes of the Act if*

*(a) at least 50% of **any of the farm products** used to make the beer, spirits or mead produced each year is grown on the farm on which that brewery, distillery or meadery is located, or*

*(b) the farm on which the brewery, distillery or meadery is located is more than 2 ha in area and at least 50% of **any of the farm products** used to make the beer, spirits or mead 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 **any farm product** to the brewery, distillery or meadery under a contract having a term of at least 3 years. And,*

*(c) **any permanent structures used to produce beer, spirits or mead must not exceed the lesser of 10% of total parcel size or 1000 square meters.***

The Provincial government deliberately included breweries in the ALR Regulations in 2015,

"Agriculture Minister Norm Letnick noted hops farming is on an upswing in areas such as Chilliwack and Kamloops, and predicts the rule change will create an incentive for more farmers to take a risk and get into beverage production." <http://www.newwestrecord.ca/news/alr-reforms-ease-way-for-breweries-value-added-plants-1.1974503>

This intent followed directly on the experience of wineries, on ALR, in BC. BC Wine is a \$2 billion dollar industry and the Canadian Wine industry contributes \$879 million in taxes annually, not to mention bringing in tourist dollars and tourist related economic impact to the tune of \$1.2 billion



annually. We believe that breweries can similarly have a positive economic impact in BC, while contributing to both the cultural and agricultural aspects of our communities.

Unfortunately, however, the ALR Regulations as written for breweries have had unintended consequences and thus require revision. Here are a few key assumptions underlying our recommended changes.

#### Key Assumptions and Acknowledgements

Hops and hop farming are a perfectly valid and beneficial crop for BC farmers. Hops are a critical ingredient, for both flavoring and as a preservative, that require only drying and storage to be usable in brewing. Hops grow well in the range of soil and climatic conditions that exist in much of BC. The hop market is growing and profit margins can be achieved as a result of the growth and procurement patterns of the craft brewers. Many craft brewers are committed to buying locally including barely and hops from BC farmers. We believe that the ALR Regulations are meant to govern land use, not crop choice.

Barley, however, cannot be used without undergoing extensive processing through malting to convert their starches to usable sugars. This is in direct contrast to grapes and apples, which are more like hops in that they require minimal processing to be usable. There is no custom maltster in western Canada, so the only option would be for on-farm breweries to take up more land by installing in-house malting and significant storage facilities. Gambrinus Malting, in Armstrong, BC, works closely with BC grain farmers, producing organic and BC-only batches of malt. Long-term contracts with Gambrinus Malting would be effective in encouraging both BC growing and malting of barley.

Craft breweries are independent, BC owned and operated, small businesses that add social, economic and financial value to communities all over the world. In BC, we have 125 craft breweries, whereas both Washington State and Oregon State have well over 200 each, with similar sized populations. So, we anticipate continued growth of the craft beer sector and plenty of room in BC for more breweries. Wineries have paved the way providing a world-class BC product that is both enjoyed locally and exported globally. Breweries, we believe, will follow suit.

Wineries (and cideries) and breweries (and distilleries and meaderies) are both fundamentally value-added agricultural products that required different ingredients. For that reason, they should all be included explicitly in the ALR Regulations yet be treated differently therein.

Craft breweries can, if located on agricultural land, add substantial agricultural value to that land. Rapidly escalating land costs in BC are making it increasingly difficult for new farms to get started or grow. Including value-added processing improves those economics, motivating agricultural land uses previously not possible. Additionally, the "waste" products from brewing including spent grain, hops and water are directly useful, once treated, as agricultural amendments in the form of compost, livestock feed and irrigation. Growing conditions of marginal farms can be improved substantially with the addition of on-farm brewing.



### ALC Land Use Policies

The above proposed changes to the Regulations will require an updating of the ALC Policies. In particular, Policy L-21, published in October 2016. This policy should be updated to recognize that the term "any of the farm products" implies that barley alone is not the only farm product to be considered in calculating the minimum 50% required to meet compliance. For example, yet not limited to this example, a farmer may grow hops and purchase any farm product used in brewing, from BC farms to meet the 50% requirement of farm product needed in their brewing process.

The latter recommended clause, Section 2 (2.3) (c) above, is a new, yet we believe, important addition to the Regulations. Recognizing again that these Regulations are meant to govern land use and not crop choice, we recommend restricting the amount of the land used for the production to be right-sized for both the parcel and surrounding community. This, quite frankly, will help prevent large, industrial breweries from effectively co-opting agricultural land for industrial processing. We would also support policies which require that water use be restricted in a ratio of water used to beer produced and that all outgoing water be treated onsite to irrigation standards.

### In Conclusion

The current ALR Regulation Section 2.3, has, we believe, resulted in unintended consequences. Foremost as an example of these unintended consequences is the situation that both Persephone Brewing Company and Crannog Ales find themselves, wherein, they are now in non-compliance, cannot reasonably achieve compliance, yet are highly regarded as sustainable and innovative farm-based business models. What is more, common sense dictates that these are indeed farms. Persephone recently won a Real Estate Foundation of BC Land Award celebrating the model that brings together sustainable agricultural land use with the craft brewing business model and positive social impact in their community. The ALC visited Crannog in 1999 and 2000 approving their operation. Crannóg has for 17 years advanced sustainable agriculture by advocating farmland remain in the ALR and reducing water use in breweries, as well as teaching organic hops production as part of sustainable mixed farming. Crannóg Ales also won the VanCity Ethics in Action award for their farm business model. Both of these breweries, we believe, exhibit what we all want to encourage on ALR, throughout BC.

**We request that the Provincial government act quickly and decisively in this matter.** These changes will allow for growth of small businesses in all regions of BC in a manner that connects the Agricultural Land Reserve to the formal economy, provides and keeps jobs and investment dollars in those regions and advances both economic and agricultural development for future generations to come.

Signatories endorsing this statement include,

Persephone Brewing Company Inc.  
Crannog Ales Ltd.  
BC Craft Brewers Guild  
BC Hop Growers Association





**The Campaign for Real Ale Society of BC**  
**Organic Hop Growers Association**  
BC Grain Producers Association (to be confirmed)



**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR DECISION**

Ref: 186413

Date: July 31, 2017

**Issue:** The City of Kelowna has submitted Bylaw No. 11374 for Minister's approval. **Recommendation:**  
**Option 1 – Approve Bylaw.**

**Background:**

The City of Kelowna (the City) has been working with the Ministry's Innovation and Adaptation Services Branch staff from the Strengthening Farming (SF) Unit since April 2016 to draft Temporary Farm Worker Housing (TFWH) bylaws consistent with the TFWH Minister's Bylaw Standard. As a regulated community under s.481 and 553 of the *Local Government Act*, the City is required to submit farm bylaws and zoning bylaw amendments affecting agriculture to the Minister of Agriculture for approval prior to adoption of the bylaws. The TFWH bylaws received third reading by Kelowna City Council on July 11, 2017, and have been submitted to the Minister for approval. The certificate of statutory approval (Appendix A), the Bylaw (Appendix B) and a letter (Appendix C) are attached for review and Minister's signature.

The Minister's Bylaw Standard on TFWH was developed in 2008 to address the needs of industry to house seasonal workers (particularly those that are a part of a federal worker program), and to address the concerns of local governments and minimize the impact of this housing on agricultural land. The B.C. Fruit Growers' Association (BCFGA) was one of many stakeholders consulted at the time of the Bylaw Standard development.

The City contains significant Agricultural Land Reserve (ALR) lands and has large-scale agricultural activity. Housing on the City's ALR land was identified as a priority issue, as City staff have been dealing with numerous enforcement issues and neighbourhood concerns. For example, residences approved by the Agricultural Land Commission (ALC) for farmworker housing are being rented to non-farming tenants. Neighboring residents (some who have formed Neighborhood Associations) have expressed concern about large-scale farm operations and small villages of workers living on ALR land. In addition, City staff require planning and certainty around TFWH in order to ensure areas with housing have adequate servicing to house large numbers of workers.

**Discussion:**

City staff initially drafted a zoning bylaw amendment that while achieving consistency with the Minister's Bylaw Standard raised major concerns for the BCFGA with respect to large growers that produce the majority of farm gross receipts. BCFGA also believed that the consultation process undertaken by the City was not sufficient. On May 2, 2017, BCFGA vocally expressed concerns at the public hearing with the proposed bylaw amendments. BCFGA identified specific objections to four provisions:

- a limitation that TFWH housing could only be occupied 8 months of the year;
- requirements for TFWH to be located on a farm residential footprint or near a road;
- a cap of 40 workers per farm unit before triggering a public hearing; and
- a definition of farm-unit as one or multiple parcels that were contiguous or non-contiguous.

Hearing these concerns, Council then requested City staff to revise the bylaw to address the concerns of BCFGA. Ministry SF staff worked with the City and BCFGA to facilitate a solution in the further revision of the zoning bylaw amendments. A revised bylaw package was presented to Council on June 19, 2017 which contained:

- an amendment to allow TFWH occupation for 10 months of the year instead of 8 months;
- an amendment to allow more flexibility on the location of the housing by inserting a provision that would take the agricultural capability and suitability of a parcel into account; and

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- an amendment to increase the maximum number of workers that could be housed per farm-unit from 40 to 60 before a public hearing would be required.

The fourth BCFGA request was to change the definition of farm-unit to contiguous parcels only, in order to allow more than 40 workers to be housed over multiple non-contiguous parcels they owned/operated without going to a public hearing. SF staff were able to achieve agreement between BCFGA and City staff that changing the definition of farm-unit was not a recommended approach and instead restrictions were placed on the number of workers that could be housed in any City neighbourhood. City staff subsequently advised that they would limit the number of workers housed to forty per City Sector (as currently defined in the City's Official Community Plan) for lots up to 8 hectares and to sixty per City Sector for lots larger than 8 hectares.

BCFGA expressed some concerns over the City Sector approach and the limits on the number of workers without public hearing, but agreed to support the bylaws. City staff have agreed to monitor and review the bylaws moving forward for impacts on the agriculture industry. The bylaws were taken back to City Council on June 19, 2017 for reconsideration and a public hearing was held and third reading of the bylaws occurring on July 11, 2017.

The zoning bylaw amendments that received third reading from Council on July 11, 2017 reflect the extensive facilitation undertaken by SF to ensure the needs of both industry and the City were met. The new bylaw protects the needs of the fruit-growing industry while also addressing the concerns of residents and the City. The new approach provides consistency, fairness and flexibility. City staff have iterated that Council is supportive of the agriculture industry and will take into account the needs of industry in a rezoning process for producers requiring to house larger numbers of workers.

The proposed bylaw amendments are consistent with the Minister's Bylaw Standards, address the needs of the majority of farms in the City, and strike a good balance between protecting ALR land and ensuring the ability of industry to continue to operate with seasonal workers. The proposed bylaw amendments will also provide clarity to farmers and assist the City in enforcement action against those that are illegally renting housing intended for farm workers.

BCFGA has expressed appreciation for SF efforts in liaising with City staff. BCFGA provided a letter of support for the revisions that went forward to public hearing and third reading on July 11 (Appendix D). SF staff have used the strong working relationship with City staff to support the City in developing bylaws that address local issues and support industry.

**Options:**

s.13

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s.13

**Approved / Not Approved:**

\_\_\_\_\_  
Lana Popham, Minister

\_\_\_\_\_  
Date Signed

**Attachments:**

Appendix A: Statutory Approval, for signature

Appendix B: Bylaw 11374

Appendix C: Letter to City of Kelowna, for signature

Appendix D: Letter of Support from BC Fruit Growers' Association

Contact: Alison Fox, Land Use Agrologist, IASB, 604-556-3106

DIR/MGR   SB   ED   JE   ADM   AL   DM   \_\_\_\_\_

**ADVICE TO MINISTER**

**Ministry of Agriculture**  
**BRIEFING NOTE FOR DEPUTY MINISTER FOR INFORMATION**

Ref: 186454

Date: July 27, 2017

**Issue:** The Corporation of Delta (Delta) has submitted for Minister's approval Delta Zoning Bylaw No. 2750, 1977 Amendment (C.D. 360-5 – Tsawwassen Golf & Country Club Ltd. – LU007923) Bylaw No. 7653, 2017. The amendment would allow a townhouse and golf course development at 4800 Springs Boulevard.

**Background:** As a regulated community under s.481 and 553 of the *Local Government Act*, the Corporation of Delta (Delta) is required to submit farm bylaws and zoning bylaw amendments affecting agriculture to the Minister of Agriculture for approval prior to adoption of the bylaws. Delta submitted Zoning Bylaw No. 2750 and Bylaw No. 7653 for Minister's decision on July 18, 2017.

The bylaw amendment proposes rezoning of a 2.55 hectare (6.3 acre) parcel currently in the Agricultural Land Reserve (ALR) to accommodate a 60 unit townhouse development and recreational facilities, including a tennis court and a pickle ball court, as well as provide an extension to the adjacent existing golf course facilities. The parcel is currently zoned C5 (Private Recreational) and contains a single family dwelling and accessory buildings. The proposed amendment would see the parcel rezoned for comprehensive development CD 360-5 and CD 360-1. Despite being in the ALR, the current C5 zoning does not permit any agricultural uses.

Delta has passed the bylaw amendment at third reading, but has not yet received an exclusion from the Agricultural Land Commission (ALC). The proposal will require an ALC exclusion approval for the townhouse portion and non-farm use approval for the recreational portion in order to proceed. The ALC received these applications on July 20, 2017, but it is not expected that the panel will review them before their meeting in September 2017, and may not make a decision until October or November 2017.

**First Nations Consideration:** Tsawwassen First Nations (TFN) lands are immediately to the west of the subject property. Delta planning staff have noted that the TFN Land Use Plan identifies this portion of the TFN land as permitting apartment and townhouse dwelling units.

**Discussion:** Minister's approval is required for zoning bylaws that prohibit or restrict the use of land for a farm business in the ALR. Although Minister's approval and ALC approval are two distinct and separate processes, it is unusual that a rezoning proposal would be taken to third reading by a local government ahead of ALC approval for the exclusion.

If the exclusion is approved, Minister's approval will not be required for that portion of the proposed development, and would only be for that portion of the property which will remain in the ALR with non-farm use approval for the recreational facilities.

If the exclusion and non-farm use applications are not approved by the ALC, the rezoning would be contrary to the *Agricultural Land Commission Act* and Ministry staff would recommend the Minister not approve the bylaw. Ministry's Strengthening Farming staff have advised Delta planning staff that it is unusual for the Minister to be asked for approval prior to the ALC exclusion decision and that the ALC exclusion decision should happen first.

Based on the outcome of the ALC decision, the scenario requiring Minister's approval may shift. Further a Minister's decision to approve or deny the bylaw in advance of the ALC decision could be perceived as an attempt to influence the ALC's decision making process.

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**Conclusion:**

A reply to Delta with respect to their Bylaw approval request has been prepared for Deputy Minister signature advising that the Minister will not make a decision on the proposed bylaw amendment until after the ALC exclusion decision. The letter is attached to this note.

**Attachments:**

Attachment 1 – Letter for DM Signature.

Contact: Selena Basi, Director Strengthening Farming, IASB, 250-356-6660

DIR/MGR SB ED JE ADM AL DM WS

**ADVICE TO DEPUTY MINISTER**



MAR 20 2017

File: 0280-30

Ref: 185505

X-Ref: 185501

Brian Smith  
CEO/Owner  
Persephone Brewing Co.  
Email: [brian@thebeerfarm.ca](mailto:brian@thebeerfarm.ca)

Dear Mr. Smith:

Thank you for your recent email in which you requested a meeting to discuss your proposed amendments to the Agricultural Land Reserve Use, Subdivision and Procedure Regulation. I also appreciate the call with you and others in the industry on March 17, 2017.

I would like to clarify that prior to the amendments in 2015, the Regulation did not recognize breweries as a farm use. This means that land-owners seeking to establish a brewery on the Agriculture Land Reserve (ALR) were required to make an application to the Agriculture Land Commission (ALC) prior to initiating operations.

In 2015, following extensive consultations with farmers, local governments and the public, the B.C. government amended its regulation to allow breweries, distilleries and meaderies to operate on the Agricultural Land Reserve without making an application to the ALC, provided at least 50 percent of the ingredients used are grown on the farm where they are located.

The 50 percent threshold in the regulation reflects an extensive consultation, and provides the balance of offering farmers a value-added opportunity on their farm, while ensuring that farming remains an integral part of the overall operation. This amendment was to allow for easier development of craft breweries, meaderies and distilleries on ALR land. Any proposal for a craft brewery that does not meet the 50% threshold can seek a decision from the ALC that they will consider on a case-by-case basis.

Ministry of Agriculture

Office of the Minister

Mailing Address:  
PO Box 9043 Stn Prov Govt  
Victoria BC V8W 9E2

Telephone: 250 387-1023  
Facsimile: 250 387-1522

Web Address: <http://gov.bc.ca/agri/>

- 2 -

I am always interested in hearing if we got it right, and welcome further discussions on your proposals for changes to the regulation. In the meantime, I encourage you to continue the discussions with James Mack, Assistant Deputy Minister

Sincerely,

A handwritten signature in black ink, appearing to be 'Norm Letnick', with a long horizontal stroke extending to the right.

Norm Letnick  
Minister

cc: Derek Sturko  
James Mack

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 186464

Date: July 31, 2017

**Issue:** Status of implementation of the results of the 2016 B.C. wine industry plebiscite.

**Background:** The B.C. Wine Appellation Task Group (BCWATG) was established in March 2015 with the mandate:

“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's 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 Ministry of Agriculture (the Ministry).

Following extensive consultations with industry members and stakeholders, the BCWATG released its final report in November 2015. The final report included 12 recommendations, some of which became the subject of a plebiscite which ran from May 20 to July 1, 2016. Given that some of the BCWATG's recommendations carry broad implications for the entire wine industry, not just those who are BCWA members and participate in the WMQR, the BCWA invited all producers of 100 percent B.C. grape wine to participate in the plebiscite.

In total, 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<sup>1</sup>, leaving 10 plebiscite recommendations for government consideration. (See Appendix 1 for a summary of the 11 plebiscite recommendations and their status of implementation).

In January 2017, concurrent with the coming into force of the *Food and Agricultural Products Classification Act* (FAPCA), three recommendations were implemented including:

- Mandatory conjunctive labelling (Recommendation #6)
- Grape growers to be included in the required ballot for new sub-geographical indications (Recommendation #11)
- Delete paragraph 29(3)(e) of the WMQR, which requires distinctive characteristics (Recommendation #12(a)).

This note provides an update on the status of the remaining seven recommendations.

s.13

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Page 027 to/à Page 028

Withheld pursuant to/removed as

s.14;s.13

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Appendix 1 - Summary of Status of the Plebiscite

Recommendation	Plebiscite Result	Status
#1: We recommend that as a condition of having a winery license producers making wine from 100% B.C. grown grapes be required to become a member of the Authority [i.e. BCWA] and be subject to audits conducted and enforced per the <i>Wines of Marked Quality Regulation</i> .	<ul style="list-style-type: none"> <li>Approved by BCWA members</li> <li>Low level of support among non-BCWA members</li> </ul>	s.13,s.14
#2(a): We recommend changing the Wines of Distinction category name in the regulations to British Columbia Wine.	<ul style="list-style-type: none"> <li>Approved by BCWA members</li> <li>Intermediate level of support among non-BCWA members</li> </ul>	
#2(b): We recommend both BCVQA and British Columbia Wine (currently Wine of Distinction) should be allowed to use the geographic indications on their labels.	<ul style="list-style-type: none"> <li>Rejected by BCWA members</li> <li>High level of support among non-BCWA members</li> </ul>	
#4: After the establishment of a system of sub-GIs that should take no longer than January 1, 2019, we recommend that the BCWA be given the authority to prohibit the use of any unregulated geographic indication associated with British Columbia on its members' wine labels.	<ul style="list-style-type: none"> <li>Approved by BCWA members</li> <li>Low level of support among non-BCWA members</li> </ul>	
#5: We recommend that all wines made from 100 percent B.C. grapes must register as either British Columbia VQA ("BC VQA") or British Columbia Wine in order to qualify for recognition as a Wine of British Columbia.	<ul style="list-style-type: none"> <li>Approved by BCWA members</li> <li>Low level of support among non-BCWA members</li> </ul>	s.13,s.14
#6: We recommend Wines of British Columbia that use an approved sub-GI be required to display conjunctive labeling to show both the region and sub-region on the primary display panel.	<ul style="list-style-type: none"> <li>Approved by BCWA members</li> <li>Low level of support among non-BCWA members</li> </ul>	
#7: We recommend the establishment of new geographic indications in four emerging wine grape growing regions – Thomson Valley, Shuswap, Lillooet-Lytton and Kootenays – subject to a final review of the boundaries and in consultation with stakeholders within each region.	<ul style="list-style-type: none"> <li>Approved by BCWA members</li> <li>High level of support among non-BCWA members</li> </ul>	
#8(a): We recommend that industry review the set of sub-regions on the Okanagan Valley as identified by the BCWATG as the basis for establishing sub-geographic indications.	<ul style="list-style-type: none"> <li>Approved by BCWA members</li> <li>Intermediate level of support among non-BCWA members</li> </ul>	
#10: We recommend that BCWA seeks to establish a flat fee for small wineries, which covers the cost of membership, grape levies, audits and wine certification, with the appropriate production threshold not to exceed 50 tons, to be set by the BCWA after consultation with the Wine Industry Advisory Committee.	<ul style="list-style-type: none"> <li>Approved by BCWA members</li> <li>Intermediate level of support among non-BCWA members</li> </ul>	

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<p>#11: We recommend that section 29(3)(c) of the Regulation be amended to include the following underlined phrase:</p> <p>At least <u>two thirds of the vote measured by registrants of productive wine grape acreage</u> in a proposed geographical area of subdivision, who produce at least two thirds of the total production of wine made from grapes grown in that area of subdivision, must have voted, by ballot, in favour of the proposed geographical area of subdivision.</p>	<p style="text-align: right;">s.13</p> <ul style="list-style-type: none"> <li>• Approved by BCWA members</li> <li>• Intermediate level of support among non-BCWA members</li> </ul>
<p>#12(a): We recommend deleting section 29(3)(e) from the Regulations.</p>	<ul style="list-style-type: none"> <li>• Approved by BCWA members</li> <li>• Intermediate level of support among non-BCWA members</li> </ul>

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**Appendix 2 – BCWA letter**

**BRITISH COLUMBIA WINE AUTHORITY**  
120-888 Westminster Avenue West, Penticton, BC Canada V2A 8S2  
Telephone: 250-49-BCVQA (22872) Toll Free: 1-877-499-2872 Fax: 250-492-2992



June 20, 2017

By email

Mr. James Mack  
Assistant Deputy Minister of Agriculture  
Government of British Columbia  
PO Box 9043, Station Prov Govt,  
Victoria, BC V8W 9E2

Dear James:

**Re: Request for Update on Implementation of BC Wine Appellation Task Group Recommendations**

As you are aware, the BC Wine Authority ("BCWA") held its 2017 Annual General Meeting in Penticton on June 9<sup>th</sup>. The issue of implementation of the Recommendations of the BC Wine Appellation Task Group was a major topic of discussion at the meeting. We provided an update to Members as best we could regarding the status of the implementation of those recommendations that currently remain under active consideration by the Minister of Agriculture, including the fact that the Minister had requested that we engage in further consultations with industry regarding the proposed flat fee for small wineries and the final boundaries for the four new proposed Geographical Indications, and that we had been asked to conclude those consultations and report back to the Minister thereon by the end of the Summer.

Following our update a motion was made from the floor that the BCWA Chair write to the Minister to obtain an update from him regarding implementation of those Task Group Recommendations that remain outstanding. That motion was unanimously approved by all Members in attendance. Pursuant to that motion, and bearing in mind our existing deadline to report back to the Minister by the end of the summer on our ongoing industry consultations, our Members ask if the Minister could please provide to the industry an update regarding the implementation of those Task Group Recommendations that are currently still being considered by him. This update can be provided to us and we can then distribute it to our Members.

Yours truly,

**BRITISH COLUMBIA WINE AUTHORITY**

A handwritten signature in dark ink, appearing to read "Jeffrey Thomas", written over a horizontal line.

Per: Jeffrey Thomas,  
Chair, Board of Directors

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Ministry of Agriculture

INFORMATION BRIEFING NOTE FOR MINISTER FOR INFORMATION

CONFIDENTIAL ADVICE TO MINISTER

Ref: 186571

Date: August 15, 2017

**Issue:** Addressing Halal Meat Supply and Associated Unlawful Slaughter Activity.

**Background:**

- In October 2014 Ministry of Agriculture (AGRI) staff attended numerous complaints of unlawful slaughter and meat sales in the Lower Mainland area and confirmed unlawful activity taking place.
- The majority of unlawful activity was associated with the Islamic celebration of Eid Al-Adha (or Qurbani) in which Muslims may choose to sacrifice an animal for food, charity and family.
- Some of those engaged in the unlawful activity were stockpiling livestock (particularly sheep and goats) in the months preceding Qurbani to capitalize on the increased demand. When selling this livestock, some were offering crude and unsanitary slaughter and meat processing services that present a risk to human health and animal welfare.
- AGRI staff has used a graduated enforcement approach over the last three years, providing education and information about the risks. Results have been positive—some slaughter activity has moved to provincially licensed establishments—with no significant reaction.
- Currently, one provincially licensed establishment in the Lower Mainland provides Halal (orthodox) slaughter service. Demand during Qurbani exceeds the current capacity.
- To address this unlawful and unsafe trade in uninspected meat, AGRI staff contacted the BC Muslim Association (BCMA) for input. A meeting took place in the Lower Mainland on April 9, 2015 and was attended by the AGRI Enforcement Officer, the President of the BCMA and the BCMA Halal Meat Coordinator.
- A plan was developed that included a comparison of Muslim population densities and projected growth rates against the location of provincially licensed slaughter establishments to determine regions of interest for increased Halal availability. The plan also included outreach by the BCMA to the operators of licensed establishments to determine interest in supplying Halal meats from licensed slaughter establishments.
- Although the BCMA would prefer to increase Halal meat supply through existing licensed establishments, they have approached two members about the possibility of building a licensed slaughter establishment. There are no commitments to date.

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**Discussion:**

- The communication between BCMA and AGRI is ongoing.
- AGRI contacted licensed slaughter establishments in the Lower Mainland, Vancouver Island and Interior to gauge their interest in supplying Halal product. Those licenced establishments interested in supplying Halal meat are currently doing so.
- AGRI will continue to facilitate discussion between the BCMA and licensed slaughter establishments. AGRI also provides subject matter expertise regarding humane slaughter, animal welfare, plant construction and objectives regarding a safe Halal meat supply; however the decision to provide Halal services is ultimately up to the operators.
- Qurbani falls this year on Friday September 1st, 2017. As the holiday begins on the sunset of the previous day, observing Muslims will celebrate on the sunset of Thursday, August 31.

**Conclusion:**

- AGRI will continue to work with the BCMA and parties interested in becoming licenced to slaughter in order to identify opportunities and increase the supply of Halal meat products.
- Even though there is a concerted effort to address the issue of Halal meat supply, including for Qurbani, the demand for Halal meat is greater than the lawful supply.
- Enforcement efforts will occur prior to Qurbani 2017, with a continued focus on providing education and information with enforcement action where warranted.
- The goal of these efforts is to reduce unlawful slaughter activity and ensure meat products are safe for human consumption and produced in a manner consistent with best practices for animal welfare.

Contact: Brent Smith, Enforcement Officer, 250-260-4016

Klaus Noegel, A/Operations Manager, 250-784-2561

E/DIR GL ADM JM A/DM JM

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR MEETING**  
**WITH HAZELNUT GROWERS – August 16, 2017**

Ref: 186518

Date: August 14, 2017

**Issue:** Considerations around a commitment to “support fruit and nut growers and processors in British Columbia.”

**Background:**

**Fruit production:** Fruit and nut production is combined together in the 2016 Census of Agriculture (Census) reports. Fruit includes: all tree fruits, table and wine grapes, and all berries. The Census reports the total area of fruits and nuts in British Columbia (BC) at 62,679 acres. Of this acreage, berries accounted for 54% (34,003 acres), tree fruits accounted for 28% (17,349 acres), grapes for 15% (9,652 acres) and ‘all other fruits, berries and nuts’ (e.g., nectarines, kiwis, hazelnuts, etc.) accounted for 3% (1,675 acres). The 2016 total Farm Cash Receipt estimates were \$397.1 million and proportionally equal the area percentages.

In January 2011, a \$2 million provincial- \$3 million federal contribution agreement known as the AgriFlexibility Program was received by the Canada-BC Tree Fruit Market and Infrastructure Innovation Initiative to be delivered over three years. The fund was intended to improve the competitiveness of the BC tree fruit industry through: investment in innovation and environmentally friendly technology in packing and storage infrastructure; development of marketing and value-added opportunities to increase consumption of fresh and processed apples; and development of strategies and measure to address pest management and other environmental issues. A number of projects were delivered through the program including investment in a major packing and storage facility in Okanagan. The funding was initially managed by the BC Fruit Growers Association (BCFGA) and final administration was managed by BC Investment Agriculture Foundation (IAF).

In November 2014, the Ministry announced a \$8.4 million 7-year Tree Fruit Replant Program (Program) administered by BCFGF and the Ministry. Previous orchard replant programs had been delivered, but this Program was designed to provide long-term, stable support to replanting activities in the tree fruit sector. Due to high producer demand, the Program was then provided an additional \$1 million in 2016 for the remainder in the Program. The Program, through its eligibility criteria and guidelines, encourages producers to replant high-yield, commercially desirable varieties as well as consider pest and disease resistant varieties as well.

The fruit sector and associations have ongoing engagement with numerous branches of the Ministry of Agriculture. In addition to the programs mentioned above, industry continues to access Business Risk Management programming, as well as Plant Health services and Industry Development services for minor pesticide use, new and emerging pest and disease monitoring and reporting, and varietal research.

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.

**Hazelnut production:** Farmers reported, through Census, about 70% of the nut growing area in BC is in hazelnut production with the remainder producing walnuts, chestnuts and other mixed nuts. Given that nuts represent less than 3% in ‘fruit and nut’ Census data, walnut and chestnut production is negligible.

The BC hazelnut industry is in serious decline due to the introduction and spread of Eastern Filbert Blight (EFB). Hazelnut production has been variable and declined from an average of just over one million pounds between 2006-2011 to less than half of that in 2012. In 2013 there was a return to the historical norm but from

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 186493

Date: August 15, 2017

**Issue:** Chris Bush of Catalyst Agri-Innovations Society has requested a meeting with Minister to discuss the proposed B.C. Centre for Bioresource Innovation.

**Background:**

Chris Bush is the principal of Catalyst Agri-Innovations Society, a not-for-profit organization that is focused on bio-resource innovation based in agriculture. Chris is well known to AGRI and has been connecting with some AGRI staff for 10 years, since his first project in anaerobic digestion.

Catalyst Agri-Innovations is primarily focused on the development of waste-to-resource technologies. Chris is one of the main people involved in the innovation project at Seabreeze Dairy Farm, which involves a nutrient recovery/separation system, an anaerobic digester producing pipeline-grade natural gas/selling to the grid through Fortis, and a host of other zero-waste trial technologies in pilot/development stage. Chris believes that this living lab model provides a prototype for a large scale innovation centre, the "B.C. Centre for Bio-Resource Innovation (BCCBI)", that would position B.C. to become a world leader in agri-innovation and waste-to-resource/bio-resource technology.

Chris received \$10,000 through the Rural Dividends Program for the development of a business plan for BCCBI, and continues to seek government funding for the development and execution of the overall project, which represents an estimated \$30 million dollar undertaking. He is seeking a \$10 million dollar contribution from the Province. In addition to seeking Provincial government support, he is pursuing federal opportunities through the Supercluster program and Strategic Innovation Fund.

**First Nation Consideration:** Chris has engaged Shawn Atleo, the former National Chief of the Assembly of First Nations in his planning process. Bioresource innovation has potential job creation and economic diversification implications that could benefit First Nation communities.

**Discussion:**

Chris has been presenting with respect to his proposal for BCCBI, and on the zero-waste opportunity in general, at a range of sustainability conferences in North America (Canada and the U.S.A.). Chris believes that this is a "now or never" opportunity, and that B.C. needs to take an aggressive approach to position itself as a leader in bio-resource technology/green economy.

The benefits for agriculture associated with his proposal include the potential to advance anaerobic digestion and associated technologies, which will create income diversification opportunities and assist with advancing nutrient management best practices. However, the Ministry has previously advised Chris that multi-million dollar funding for infrastructure and the establishment of a bio-resource centre is outside of the Ministry of Agriculture's scope and would need to involve multiple funding sources from various levels of government, as well as significant private investment.

With the renewed focus on technology and innovation centres across the Province, including the commitment to establish a Food Innovation Centre, there is an opportunity to engage Chris in the discussion about how bioresource innovation aligns with overall food systems innovation.

Ministry staff have developed a Concept Paper that explains how a provincial approach which envisions B.C. as an "aghub" and advances innovation across the regions links to bioresource innovation and advancing bioresource technologies. The Ministry is also involved in cross-ministry discussions examining the advancement of anaerobic digestion technology to contribute to renewable natural gas opportunities.

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**Conclusion:**

While funding and direct support for the BCCBI is outside of the Ministry's scope, the concepts associated with the proposal should be considered in developing the approach and maximizing benefits from a Food Innovation Centre or cross-sector innovation centres across the Province. AGRI staff will continue to connect with Chris to discuss integration of the BCCBI concept into these initiatives.

Contact: Selena Basi, Innovation and Adaptation Services 356-6660

DIR/MGR   SB   ED   JE   ADM   AL   A/DM   JM

**ADVICE TO MINISTER**

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 186579

Date: August 17, 2017

**Issue:** Ministry of Agriculture (AGRI) contracts held by the Kootenay Livestock Association (KLA)

**Background:**

AGRI currently has two contracts with KLA, they are:

- a) A Shared Cost Arrangement (SCA) to deliver wildlife damage mitigation initiatives under the Agriculture Wildlife Program (AWP) in the Kootenay Region.
  - The SCA was direct awarded to the Kootenay Livestock Association; initially placed in fall 2015.
    - 2015/16 = \$125,000 (10 percent is allocated to KLA for administration costs)
    - 2016/17 = \$110,000 (10 percent is allocated to KLA for administration costs)
    - 2017/18 = \$110,000 (10 percent is allocated to KLA for administration costs)
  - The objective of this Project has been to provide assistance to forage and livestock producers for the purposes of implementing mitigation and prevention activities (primarily fencing hay fields to prevent ungulates from grazing), which will reduce high and persistent forage losses, and damages caused by wildlife.
    - Activities under this Project reduce the need for the Government to compensate producers for the crop production losses.
    - Ultimately, the activities implemented under this Project will reduce production costs and losses for the producers allowing them to expand or invest in other areas of their enterprise.
    - The contract requires that activities are not to be funded by the KLA unless the risks of the activity are reasonably identified and appropriately mitigated or prevented. This is to include adequate consultation with relevant stakeholders and First Nations.
  - AGRI has \$300,000 to deliver wildlife damage mitigation initiatives throughout the province, and is not eligible for federal cost-sharing under the Growing Forward 2 (GF2) Agreement. This Project receives over a third of the provincial money.
- b) A General Service Agreement (GSA) to provide clerical services support to AGRI staff who administers the AWP wildlife damage compensation claims in the Kootenay Region.
  - This services contract was awarded in 2016 through competitive bid process, in which KLA was successful due there direct experience with the target client group; the 2017/18 contract was a direct award.
    - 2016 = \$62,155.24 ; March 1, 2016 to November 30, 2016
    - 2017 = \$63,000.00 ; April 1, 2017 to December 31, 2017
      - The 2017 contract expires December 31, 2017
  - On average there are 63 clients that enroll annually in the Kootenay Region.
  - The compensation payments and the associated administrative costs are 60 percent cost-shared by the Government of Canada under GF2.
  - The clerical services are that of a Clerk 9; which include preparing files, mailing enrollment packages, receiving notice of loss calls, entering inspection report data into the database, sending inspection notices to inspectors, scanning documents, and updating claim status.

**Discussion:**

- In 2002/03 to address the high and persistent forage losses and damages caused by wildlife, the Province initiated collaborative working committees. In 2005/06 a pilot program was developed by the Province to compensate producers for the crop production losses. The pilot was implemented in select areas of the province, with a high level of wildlife impact. To assist in the delivery and provide input on design,

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service contracts were put place with three associations, Caribou Cattleman's Association (CCA), Delta Farmer's Institute (DFI) and the KLA.

- This pilot was in place for two years and then was made available throughout the province in 2008. The provincial program was and is administered by AGRI. The contract with the CCA and DFI was not renewed in favor of delivery utilizing the resources in place to deliver the full suite of Growing Forward business risk management programs.
- Although the annual amount under the SCA only enables the funding of three projects on average, there have been numerous complaints from adjacent property owners, other community members and other natural resource sector ministries (Cliff#: 184510, 184427, 186491, 185285). The issues primarily raised are:
  1. Lack of concern or communication prior to construction to determine impacts on adjacent properties; and
  2. Lack of concern and rejection of advice as to the possible negative landscape level impacts on wildlife.

AGRI staff are working with the KLA and other stakeholders to improve the approach taken by the KLA on their approval and implement of activities undertaken by them.

- AGRI received letters from ʔaqam, May 27, 2016, and Ktunaxa Land and Resources Agency (KLRA), February 28, 2017 expressing concerns around the construction of a specific wildlife exclusion fence within the vicinity of Reserve Lands, how it would impact wildlife and their bands traditional use.
  - This fence was an activity managed by the KLA under the 2016/17 SCA
  - In the letter the KLRA, requested that the Province engage with them to provide insight and information around the Kootenay Wildlife Damage Prevention Project funding, administration, and grant applications in the East Kootenay Region, on all wildlife exclusion fences.
- The B.C. Government and Service Employees' Union has regularly filed grievances and Article 29 concerns that the clerical services provided by the KLA under contract is work that should be provided through provincial staff.
  - In all regions of the province the compensation claims are fully delivered through Business Risk Management Branch (BRMB) staff.
  - The number of clients enrolled in the Kootenays is similar to other BRMB offices that administer the program without the added expense of AWP dedicated clerical support positions. Staff in the Kootenay Region find that, since the contract has been in place, the service provider has increased their administration workload rather than reduce it.

#### Summary:

- AGRI will continue to work with KLA to ensure they are striving to meet their obligations under the Cost-Shared Agreement.
- AGRI and the Ministry of Forests Lands Natural Resource Operations and Rural Development have been working together to develop and implement a strategic landscape plan, with the goal of reducing impacts to all resources. This work includes the involvement of and information sharing with relevant stakeholders.

This plan includes looking at cumulative impacts; habitat restoration, invasive plant controls, wildlife corridors, and mitigating or preventing negative impacts for agricultural.

Contact: Tyler Morhart, Manager, Agriculture Wildlife Program, BRMB, 250 219-2678

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 186584

Date: August 31, 2017

**Issue:** Update on Brunswick Point lands

**Background:**

- The Brunswick Point lands are located along the Fraser River where it meets the Salish Sea in Delta.
- The Brunswick Point lands were expropriated in 1968 to support the Roberts Bank port development. Approximately 1,850 hectares of the expropriated lands were surplus to the needs of the port.
- About 1,080 hectares were subsequently sold by the Province to private landowners.
- Another 485 hectares were identified as Treaty Settlement Lands for the Tsawwassen First Nation (TFN).
- Approximately 285 hectares remain under Provincial ownership, much of which is leased and is currently farmed.
- In 2006, a lawsuit was filed in the B.C. Supreme Court, with the Brunswick Point families (those from whom the land was originally expropriated) asking the courts to grant them first right of refusal to buy the lands back from the Province.
- In 2009, the Tsawwassen First Nation (TFN) Final Agreement came into effect, committing the Province to provide TFN with a right of first refusal to lease or purchase the Brunswick Point lands.
- In 2011, the Province, the Brunswick Point families and the TFN reached a settlement that resolved this dispute.
- The agreement allowed the provincial government to sell the Brunswick Point lands back to the previous owners, while still supporting the terms of the Tsawwassen treaty.

*The settlement provides for the following:*

- Allows the Brunswick Point families to regain title to the Brunswick Point lands at a pre-negotiated purchase price.
- Keeps the lands in the Agricultural Land Reserve.
- Requires a farm use covenant, restricting the lands to agricultural use, and a conservation covenant that further conserves the lands for soil-based agriculture and migratory bird habitat. It is the intent of the parties that the conservation covenant will be monitored and managed by Ducks Unlimited Canada.
- Consolidates the land into four new large parcels.
- Maintains provincial ownership of dikes and rights-of-way.

**First Nation Consideration:**

- The settlement of the Tsawwassen First Nation Final Agreement had implications for the Brunswick Point lands. The Province, the Brunswick Point families and the TFN reached a settlement that resolved this dispute in 2011 as described above.

**ADVICE TO MINISTER**



**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

**Discussion:**

- The land remains in provincial ownership as represented by the Ministry of Forests, Lands, Natural Resource Operations and Rural Development, Crown Lands Branch.
- The land is currently leased and farmed. There are terms in place to create provision for the sale back to the Brunswick Point families (some of which are involved in the farming operations on the lease land), or the TFN.
- Farmers who operate on leased land are less likely to make long term improvements into the operation and quality of the land.

**Conclusion:**

The land is currently in production and has restrictive covenants that require farming as the primary future use.

Contact: Selena Basi, Innovation and Adaptation Services (250) 356-6660

DIR/MGR SB ED JE ADM AL DM WS

**ADVICE TO MINISTER**

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 186593

Date: August 22, 2017

**Issue:** Information on minimum wages for B.C. agriculture workers for a meeting with BC Fruit Growers Association.

**Background:** B.C.'s agriculture, fisheries and value-added industries employ approximately 62,900 British Columbians and approximately 4,095 temporary foreign agricultural workers. The agrifood sector, particularly the fruit growers, employs a large number of temporary foreign workers. The Okanagan fruit growers are one of the major employers of these workers.

The majority of agrifood and seafood workers are legally entitled to receive at least the hourly minimum wage rate, currently set at \$10.85 with an announced rise to \$11.35 (an increase of \$0.50 per hour or 4.6 percent), effective September 15, 2017. Some workers in the primary agriculture sector who hand-harvest specific fruits and vegetables receive legislated piece rates instead of B.C.'s hourly minimum wage (see Appendix A for new proposed piece rates including the increase of 4.6 percent).

There is no requirement that workers harvesting crops with legislated piece rates earn at least the general hourly minimum wage. At the time the legislation was development in the 1980's, a time and motion study completed by the then Ministry of Labour concluded that, on average, hand-harvesters are remunerated at rates at least equal to the hourly minimum wage.

The Premier's mandate letter to the Minister of Labour, the Honourable Harry Bains, provides direction to "establish a Fair Wage Commission to support the work of implementing the \$15-per-hour minimum wage by 2021 and to bring forward recommendations to close the gap between the minimum wage and livable wages. The commission will make its first report within 90 days of its first meeting." This commitment is also identified in the Confidence and Supply Agreement between the New Democratic and Green Parties.

**Discussion:** Labour accounts for approximately 25 percent of B.C. farms' operating expenses, making it the largest input cost. Agrifood and seafood sector employers are generally concerned about any input price increases. Increases to minimum wages – whether on an hourly or piece rate basis – would result in additional costs to these businesses and could decrease overall profit margins and harm the sector's competitiveness. At the same time, cost-of-labour increases provide an incentive to farm businesses to improve labour productivity (e.g. adoption of technology and/or innovative practices).

Agrifood and seafood sector employers and industry associations may argue against minimum wage rate increases as an ineffective mechanism to achieve improved labour market outcomes and standards of living for low-wage workers. The BC Fruit Growers Association may raise these same concerns that the upcoming increase in the minimum wage including the piece rates, may create hardship for the industry and negatively impact profit margins.

The Ministry's current suite of Growing Forward 2 programming offers a range of supports and services (e.g. Farm Business Advisory Services) which can help farmers adopt progressive business management practices and strategies to plan for and attenuate normal increases to business input costs, such as minimum wage increases.

The BC Fruit Growers Association may express interest to ensure the Fair Wage Commission understands the challenges of the agrifood sector and request that there be an opportunity for agriculture industry representatives to be heard in this process to develop recommendations.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

**Summary:**

- Work with the Ministry of Labour to influence the membership of the Fair Wage Commission to include agriculture industry representatives.
- Continue promotion of available programs and supports to help employers mitigate the potential impacts of increases to B.C.'s minimum wage and the piece rates through Growing Forward 2 programming communications and marketing as well as AgriServiceBC.

Contact: Heather Anderson, Corporate Governance, Policy and Legislation, 250 356-1687

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

**Appendix A**

ITEM	PER	2015 Piece Rate (effective Sept. 15, 2015)	2016 Piece Rate (effective Sept. 15, 2016)	Proposed piece rate change for Sept. 15, 2017 (increase of 4.6%)
Apples	bin	\$17.39	\$18.06	\$18.89
Apricots	½ bin	\$20.00	\$20.77	\$21.73
Beans	pound	\$0.239	\$0.248	\$0.259
Blueberries	pound	\$0.404	\$0.419	\$0.438
Brussels sprouts	pound	\$0.166	\$0.172	\$0.180
Cherries	pound	\$0.228	\$0.237	\$0.248
Grapes	½ bin	\$18.48	\$19.19	\$20.07
Mushrooms	pound	\$0.240	\$0.249	\$0.260
Peaches	½ bin	\$18.48	\$19.19	\$20.07
Pears	bin	\$19.58	\$20.33	\$21.27
Peas	pound	\$0.298	\$0.309	\$0.323
Prune Plums	½ bin	\$19.58	\$20.33	\$21.27
Raspberries	pound	\$0.364	\$0.378	\$0.395
Strawberries	pound	\$0.350	\$0.363	\$0.380
Daffodils	Bunch (10 stems)	\$0.140	\$0.145	\$0.152
Minimum hourly wage		\$10.45/hr	\$10.85/hr	\$11.35/hr

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR DECISION**

Ref: 186638

Date: August 28, 2017

**Issue:** Increasing loan limits for associations under the BC Bred Heifer Association Loan Guarantee Program (BHALG) and the BC Feeder Association Loan Guarantee Program (FALG).

**Background:**

- 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.
- There are 12 member associations of the programs and each has a specific limit to the amount of loans it can take for the purchase of breeder or feeder cattle.
- The associations borrow money from financial institutions, which are secured by an assurance fund and government guarantees, and then purchase breeder or feeder cattle to be raised by the members. The Province currently guarantees 20 percent of loans for feeder cattle and 15 percent of the loans for breeder cattle.
- In 2016, Treasury Board approved an increase to the cap on the loan guarantee under these programs from \$9.75M to \$15M. Currently \$11.97M of the \$15M cap is allocated to associations. The remaining \$3.03M was left unallocated to address future increases for existing associations, and to allow for the creation of proposed future associations on Vancouver Island and the Kootenays.
- The Ministry maintains a provision for probable losses for claims; since the inception of the program over 25 years ago there have been no claims on the guarantee.

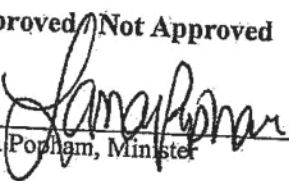
**Discussion:**


- Two of the breeder associations are at or near their authorized loan limits and have very little room to finance any increased purchase of breeder cattle. This essentially eliminates the ability for the associations to add new members. There is also an administrative change required to address the wind up and consolidation of members of two feeder associations.
  - Two associations have requested an increase to their association loan limits, which are the Cariboo Bred Heifer Cooperative and the South Peace Bred Heifer Cooperative.
  - An administrative change is required to facilitate the wind up of the Quesnel Feeders Association, with its loan guarantee limit to be incorporated into the Cariboo Chilcotin Feeders Association.
  - If the proposed changes are approved the loan guarantees allocated to associations would increase from \$11.97M to \$12.87M, leaving \$2.13M remaining unallocated for future increases or new associations.

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Approved/Not Approved

  
Lana Porham, Minister

  
Date Signed

Contact: Kevin Schmidt, General Manager Business Operations, (250) 861-7537

A/EXE DIR BJ ADM            DM           

Attachments (1)

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with B.C. Chamber of Commerce, Date TBD**

Ref: 186513

Date: August 17, 2017

**Issue:** The B.C. Chamber of Commerce (BCCC) has extended an invitation to the Minister to discuss recommendations from their 2017-2018 Policy and Positions Manual.

**Background:** The BCCC represents over 120 Chambers of Commerce and Boards of Trade, and 36,000 businesses within the province of B.C. Its mandate is "to drive business advocacy on behalf of its B.C.-wide network"<sup>1</sup>. Their core focus is business advocacy and policy work as well as facilitating programs and benefits to strengthen and grow B.C.'s businesses.

The BCCC has invited the Minister to discuss three overarching issues pertinent to the Ministry of Agriculture that are included in its 2017-18 B.C. Chamber Policy and Positions Manual, specifically:

1. Creating a level playing field for B.C. breweries, distilleries and meaderies: The BCCC recommends that the province amend the Agricultural Land Reserve Use, Subdivision and Procedure Regulation (ALRUSPR) suggesting that the current regulations prevent growth of the brewery industry in B.C. (See Attachment 1 for the BCCC's full policy position statement).
2. Business opportunities for agrifood/seafood producers in B.C.: Under this policy issue BCCC has made several recommendations. BCCC is recommending continued provincial investment in agrifood and seafood producers and processors, and support for the sector through policies that enhance agritourism, agritech, and regional economic development. (See Attachment 2 for the BCCC's full policy position statement.)
3. Effective meat inspection system for all B.C.'s community scale livestock producers and abattoirs: the BCCC has brought forward recommendations from 2015 that the Province make D and E licences available throughout the province, and revert to a randomized, risk-based inspection system.

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The BCCC

<sup>1</sup> <http://www.bcchamber.org/about-us/what-we-do>

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with B.C. Chamber of Commerce, Date TBD**

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with B.C. Chamber of Commerce, Date TBD**

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**Suggested Response:**

- The Ministry is committed to successfully developing Grow B.C., Feed B.C. and Buy B.C. initiatives to support the continued success of our agrifood and seafood producers and processors.
- Ministry staff is in the process of developing options for enhanced programing and welcome any feedback the BCCC may have to best meet the needs of its members.
- The Ministry is supportive of B.C.'s growing craft beer industry and has a range of programs and services that can help support its continued growth. The current ALR land use regulations recognize that there are underlying differences between beer and wine that may require differential treatment and should be explored further without compromising the primary goal of preserving the ALR.
- The Ministry is committed to ensuring British Columbians' confidence in a provincial meat inspection system that supports the highest standards of food safety and animal welfare.
- 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 the demand is highest during peak slaughter season.

Contact: Jacqueline Cushing, Corporate Governance, Policy and Legislation, 250-356-7219

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**Issue:** Meeting with Federal Minister of Fisheries, Oceans and the Canadian Coast Guard, the Honourable Dominic LeBlanc. (see attached Biography)

**Background:**

The Minister of Agriculture has two roles in working with Minister LeBlanc. In addition to the Minister's own mandate for the economic development of the seafood sector, the Minister is also the lead provincial Minister for the Canadian Council of Fisheries and Aquaculture Ministers (CCFAM). Meetings with Minister LeBlanc are also being set up with the Minister of Forests, Lands, Natural Resource Operations, and Rural Development as well as the Minister of the Environment.

The following is a list of proposed topics with background and key messages below.

1. Economic development funding – "Proposal for a Pacific Fisheries Fund."
2. Salmon Farms
3. Marine Protected Area (MPA) and Marine Conservation Targets (MCTs).
4. Federal *Fisheries Act* Review.
5. Oceans Protection Plan.

**BC: Economic Development Funding:**

The seafood sector has limited access to federal/provincial funding under the current Growing Forward 2 agreement and this will continue as the agreement is renewed in 2018 as the Canadian Agricultural Partnership. The key gaps for the sector are for investments in innovation, competitiveness and food safety.

There is a new Atlantic Fisheries Fund that addresses these gaps but there is no similar program for Pacific fisheries. At the CCFAM meeting in July 2017, Minister LeBlanc committed to considering a proposal for a Pacific Fisheries Fund. DFO officials have indicated that a new Clean Tech Fund for fisheries and aquaculture fund may be announced in October that could address the funding gap for innovation. This fund is likely to require new provincial funding.

**Key Messages:**

- BC's overarching priority is to better align federal and provincial funding programs with the economic opportunities for fisheries, aquaculture and the seafood sector. BC would like to see coordinated work at the Ministerial level to address funding for the seafood industry, potentially through a new Pacific Fisheries Fund.
- The newly announced Atlantic Fisheries Fund (\$400 Million over 7 years) has resolved this funding issue for Atlantic provinces; however, national funding provided in this fund are much less and will only address market access – one of the few activities already eligible under current agriculture programming.

- B.C. is interested in knowing more about potential access to the new federal Clean Tech fund for aquaculture and fisheries. This could potentially address funding gaps for innovation and competitiveness in the sector.
- New federal and provincial funding for fisheries and aquaculture could help respond to pressures to enhance wild salmon populations as a result of the Cohen Commission, as well as interest in advancing research and development on closed containment.

### Salmon Farming

Recent escapes of Atlantic salmon from the Cooke aquaculture facility in Puget Sound, and the ongoing occupation of two salmon farm sites in the Broughton Islands have created increased public interest in salmon farming in BC, including requests to evict salmon farms when not supported by local First Nations and/or to end the industry in BC entirely. B.C. anticipates that Minister LeBlanc may make a statement this week, indicating that: "...In support of the recent BC announcement, DFO will not consider further approval of new salmon aquaculture tenures in BC until after the MAACFA recommendations are available."

The new BC government has committed to implementing the Cohen Commission as well as to providing incentives to transition to closed containment systems where appropriate. As part of his mandate letter commitments, Minister Leblanc provided a comprehensive response to the Cohen Commission last year that included progress to date by the province. Next steps are largely focused on consulting on the Wild Salmon Policy and this could be an area of increased effort by federal and provincial governments.

DFO is also close to announcing a new Clean Tech fund for fisheries and aquaculture. If BC can provide matching funds of at least 10%, this could meet the commitment to incent closed containment aquaculture.

DFO also participates in BC's Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA). It is likely that the committee will have specific recommendations that intend to reduce the risk of impacts on wild fish health. Because DFO is the lead for fish health, if accepted, BC would be advancing these recommendations to DFO in hopes of regulatory changes to implement them.

### **Key Messages:**

- B.C. is committed to the socially and ecologically responsible management of B.C. fisheries, including an environmentally and economically sustainable aquaculture industry.
- BC appreciates the ongoing cooperation and leadership from DFO on these issues and we will need a coordinated approach moving forward.
- There are several initiatives that may help us move forward on this issue:
  - Our Minister's Advisory Committee on Finfish Aquaculture (MAACFA) will provide recommendations this year.
  - DFO is working with provinces to develop options for CCFAM in July 2018 on whether there is a need for a new *Aquaculture Act*; and,

- Canada and BC are considering new funding proposals, including DFO's upcoming Clean Tech Fund and potentially a new Pacific Fisheries Fund.
- It is likely that DFO and BC will eventually need a coordinated response that:
  - Strengthens oversight of fish farms to minimize risks to fish health;
  - Provides new funding to incent technology innovation in aquaculture;
  - Provides new funding, and potentially new policies, to support the health of wild salmon; and,
  - Establishes a new relationship with First Nations on how governments conduct licensing and tenuring.

### **Marine Conservation Targets**

Canada committed to meeting national marine conservation targets by protecting 5% of marine and coastal areas by 2017 and 10% by 2020 within marine protected areas (MPAs) or through other effective area-based conservation measures.

B.C. has expressed concerns about the fast pace of the work towards meeting the marine conservation targets, as well as the implications for the seafood sector. Most fishery closures in B.C. were assessed as not meeting the requirements to be counted as other effective area-based conservation measures whereas multiple fishery closures in the Atlantic have been. B.C. has the detail of these assessments and provincial staff are evaluating.

B.C. was concerned with late changes that DFO made to fisheries management measures within a Marine Protected Area (MPA) recently established in Hecate Strait, but has confidence that DFO and B.C. have a solid understanding on how best to work together moving forward.

With progress on a large MPA offshore, there will soon be far greater than 10 percent of the Pacific coast covered. Any other conservation efforts in the Pacific should now be focused on quality conservation, such as the development of systematic networks of MPAs in areas under pressure, and not be restricted by urgent timelines to meet the 2020 target.

### **Key Messages:**

- B.C. supports Canada's overall efforts to meet the Marine Conservation Targets.
- B.C. was concerned with late changes to the establishment of a Marine Protected Area in Hecate Strait but has confidence that DFO and B.C. have a solid understanding on how best to work together moving forward.
- With progress on a large MPA in the offshore, there will soon be far greater than 10 percent of the Pacific coast covered within MPAs. Our estimate is that 37 percent of Pacific Canada's Exclusive Economic Zone would be covered within MPAs if the announced area of interest became an Oceans Act MPA.
- Any other conservation efforts in the Pacific can now be focused on quality conservation and not be restricted by urgent timelines to meet the 2020 target.

### **Federal Fisheries Act Review**

In September 2016, the Minister of Fisheries, Oceans and the Canadian Coast Guard tasked Parliament's Standing Committee on Fisheries and Oceans (SCOFO) to review and study the 2012 changes to the *Fisheries Act*. B.C. submitted a letter and participated in the CCFAM *Fisheries Act* Review Task Group to ensure the Province's unique interests were considered. SCOFO tabled its final report on February 24, 2017. B.C. supported many of the recommendations, but took issue with those that expand the original scope of the review beyond fish habitat protection as they applied to social and economic fisheries policies in Atlantic Canada. There are indications from officials that a bill may be introduced that addresses both fish habitat protection and socio-economic policies.

**Key Messages:**

- **B.C. has noted that our views have been well reflected to date in the Fisheries Act review.**
- **However, we now understand that the scope may be expanded to include socio-economic policies.**
- **BC, as well as the BC industry, respected the original scope of consultations and did not provide input relating to socio-economic policies.**
- **We would like to see any new federal bill be limited to the original scope of fish habitat protection and not expand into socio-economic fishing policies.**

**DFO: Ocean Protection Plan**

- On November 6th, 2016, Canada announced the Oceans Protection Plan (OPP). The OPP is a \$1.5 billion national initiative to improve marine safety and protect Canada's marine environment.
- In May 2017, DFO Minister LeBlanc announced \$108.1 million over five years to establish:
  - Seven new lifeboat stations, at Victoria, Hartley Bay, Port Renfrew and Nootka Sound near Gold River;
  - \$75 million for habitat restoration for species such as Pacific salmon,
  - 24/7 emergency-response support for existing Canadian Coast Guard stations.
  - Another \$6.85 million over five years will be used to remove derelict boats and educate boaters to prevent vessels from being discarded.
- DFO may provide information as to the status of the OPP and any linkages with Trans Mountain Pipeline. Canada gave its approval for the pipeline expansion late last year. Premier Clark's government granted provincial environmental approval for the project January 11th, 2017. DFO may ask about the current government position with respect to the pipeline.

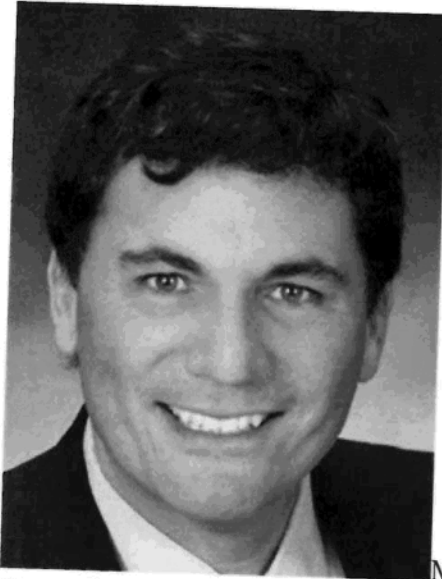
**Key Messages:**

- **Trans Mountain Pipeline discussions are being centrally coordinated and not led by AGRI**

**Contact:** Lorie Hryciuk, Executive Director, Corporate Governance, Policy and Legislation, 250 386-8299

ED \_\_\_\_\_ ADM JM \_\_\_\_\_ DM \_\_\_\_\_

**The Honourable Dominic LeBlanc**



(Beauséjour) Minister of Fisheries, Oceans and the Canadian Coast Guard

The Honourable Dominic LeBlanc was first elected to the House of Commons in November 2000 and re-elected in 2004, 2006, 2008, 2011 and 2015. He has served on the Special Committee on Non-Medical Use of Drugs and the Standing Committees on Fisheries and Oceans, Transport and Government Operations, National Defence and Veterans Affairs, Public Accounts, Procedures and House Affairs, International Trade, Justice and Human Rights, and Foreign Affairs. He has also served as Parliamentary Secretary to the Minister of National Defence.

On July 10, 2004, Dominic was sworn in as a Member of the Privy Council for Canada and appointed Parliamentary Secretary to the Leader of the Government in the House of Commons and Deputy Chief Government Whip. He has served as Opposition Critic for International Trade, Intergovernmental Affairs, Justice, Defence, and Foreign Affairs.

Mr. LeBlanc received a Bachelor of Arts in Political Science from the University of Toronto (Trinity College), a Bachelor of Laws from the University of New Brunswick, and a Masters of Law from Harvard Law School. Academic successes include the Dean's List at the University of New Brunswick's Faculty of Law, a scholarship from the New Brunswick Branch of the Canadian Bar Association, and the Graduating Average Prize from the University of Toronto (Trinity College).

Prior to his election to the House of Commons, Mr. LeBlanc was a barrister and solicitor with Clark Drummie in Shediac and Moncton, New Brunswick. From 1993 to 1996, Mr. LeBlanc was special advisor to the Prime Minister of Canada, the Right Honourable Jean Chrétien.

Mr. LeBlanc is married to Jolène Richard, a judge of the Provincial Court of New Brunswick.

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Jeremy Dunn, Executive Director, BC Salmon Farmers Association, September 13, 2017**

Ref: 186650

Date: September 11, 2017

**Issue:** Meeting with Jeremy Dunn, Executive Director, BC Salmon Farmers Association.

**Background:**

- The Executive Director, Jeremy Dunn, of the BC Salmon Farmers Association (BCSFA) has requested a meeting with the minister with himself and a delegation of leaders from the largest farming members to discuss key issues facing the salmon farming sector.
- The BCSFA was established in 1984 and operates as a forum for communication and cooperation within the salmon farming sector, the focal point for liaison between the industry and government, and also provides information to the public and stakeholders about salmon farming, and coordinates industry-wide activities, research, and community events.
- Members include both farmed salmon producers, and many of the companies who provide services and supplies to them. The BCSFA is based in Campbell River, British Columbia.

**Industry Statistics:**

- The B.C. salmon farming sector has been operating for more than three decades. Farm-raised salmon is B.C.'s highest valued seafood product (93,000 metric tonnes worth \$797 million in 2016) and the number one agricultural export. About seventy per cent of the harvest is exported, primarily to the U.S., followed by Japan, China and Hong Kong.
- Salmon aquaculture is a major employer in rural and remote coastal and First Nations communities. The industry has identified that the industry generated 5,000 jobs, paying roughly 30 per cent more than the provincial median. Between 20 and 30 per cent of salmon farm workers in B.C. are First Nations.
- As of July 2017, there were 126 existing salmon farm tenures and of these 65 were operating with salmon on site. There are 20 fish farm tenures (in the Broughton Archipelago) due to expire in June 2018. Typically the client would apply for a tenure replacement several months in advance of the expiry.

**First Nations Considerations:**

- There are mixed perspectives from First Nations related to aquaculture in B.C. Some First Nations are seeking to have salmon farms removed from their traditional territories. In some cases these farms were established in their territories many years ago. This issue has gained profile because of the new government's commitment to marine based aquaculture and to the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).
- Other First Nations have become active participants in the salmon aquaculture sector with 20 economic and social partnership agreements in place between companies and coastal First Nations accounting for approximately 80% of total production in the sector.
- First Nations who have chosen to actively participate in salmon aquaculture do so in a variety of ways ranging from: employment in hatcheries, farms and processing plants; providing contracted services and local environmental monitoring; to ownership of site tenures or full business ownership.

**Discussion:**

- 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.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Jeremy Dunn, Executive Director, BC Salmon Farmers Association, September 13, 2017**

- 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.
- The Province has established two moratoriums on expansion of the finfish aquaculture industry. The first was established through a provincial Order in Council under the Environmental and Land Use Act in 2008, covering all coastal areas north of Klemmtu. The second was implemented in 2013 in response to a recommendation of the Cohen Commission that no new salmon farms be approved in the Discovery Islands area until at least September 30, 2020 pending additional research and completion of a disease risk assessment process.
- In 2015, the Province announced a "pause" on approvals for any new salmon aquaculture tenures and restrictions on amendments to existing tenures. The "pause" is in place to allow for an examination to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with B.C.'s wild fishery resource. On September 30, 2015, B.C. also clarified that it would review applications to amend or to relocate tenures for specific purposes such as health and safety.
- As part of the pause, government committed to:
  - Establish MAACFA to provide strategic advice about the future of marine-based salmon aquaculture. The members of MAACFA include representation from the aquaculture industry, academia, non-governmental organizations, First Nations and senior government officials. MAACFA is expected to submit a final report with recommendations by the end of 2017;
  - Examine establishing a protocol relating to use of Aquaculture Stewardship Certification;
  - Examine feasibility of improved microbe protection coming out of the Strategic Salmon Health Research Initiative.

**Suggested Response:**

- The B.C. government is committed to implementing the Cohen Commission recommendations and working with the aquaculture industry to move to closed containment where possible.
- I recently met with a number of First Nations leaders on a range of topics at the First Nations Leadership Gathering. I was able to hear first-hand from leaders about some of the concerns their communities have with open pen fish farms in their territorial waters.
- I will be sharing what I've heard, coupled with the recommendations from the upcoming MAACFA report with my cabinet colleagues later in the fall.
- Ensuring that the wild salmon are protected is of the utmost importance to our government. Wild salmon provides sustenance for people and wildlife throughout our province, as well as bringing its own economic benefits. We also know that the fish farming industry brings stable jobs to small communities along our coast.
- This is an issue that won't be solved overnight, but one that will require having everyone at the table to determine solutions going forward. DFO is the lead agency with respect to fish farms in Canada; all discussions on aquaculture licensing must include them. Our government is committed to working with First Nations, the industry and DFO to ensure B.C.'s aquaculture sector is environmentally sustainable and respects First Nations' rights while providing good jobs for British Columbians.

Contact: David Travia, Corporate Governance, Policy and Legislation, 250-356-7640

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Jeremy Dunn, Executive Director, BC Salmon Farmers Association, September 13, 2017**

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with MP Fin Donnelly <<Date>>**

Ref: 186705

Date: September 5, 2017

**Issue:** Meeting with MP Fin Donnelly for a joint briefing on Closed Containment Aquaculture.

**Background:** Since May 2010, MP Fin Donnelly (NDP critic for Fisheries and Oceans) has proposed amending the federal *Fisheries Act* to transition finfish farming in BC to closed containment systems.

The private member Bill C-228 was introduced in February 2016, and called for the federal Minister of Fisheries and Oceans to prepare and implement a plan to support the transition to the use of closed containment facilities. Bill C-228 called on the federal government to provide support measures for affected corporations and protect the jobs and financial security of workers in that sector within eighteen months if this new Act received royal assent. The Bill was defeated after second reading in the House on December 6, 2016.

**Industry Statistics:**

The B.C. salmon farming sector has been operating for more than three decades. Farm-raised salmon is B.C.'s highest valued seafood product (93,000 metric tonnes (MT) worth \$797 million in 2016) and the number one agricultural export. About seventy per cent of the harvest is exported, primarily to the U.S., followed by Japan, China and Hong Kong. Salmon aquaculture is a major employer in rural and remote coastal and First Nations communities. The industry has identified that 5,000 jobs, paying roughly 30 per cent more than the provincial median have been generated. Between 20 and 30 per cent of salmon farm workers in B.C. are First Nations. As of July 2017, there were 126 existing salmon farm tenures and of these 65 were operating with salmon on site.

**Closed Containment Aquaculture:**

"Closed-containment" is a term used to describe a range of technology that aims to minimize interaction between aquaculture operations and the environment. The dominant technology being developed by industry is land-based recirculating aquaculture systems (RAS). Land-based aquaculture is an alternative that has been under development in BC for many years. There are currently no water-based closed containment systems that are feasible for use in the ocean (there are some used in lakes including for steelhead in Lois Lake in B.C.).

There is only one salmon commercial scale facility, Kuterra, operated by the 'Namgis First Nation, is located near Port McNeil (which initiated operations in 2013). The primary objective of the Kuterra project is to demonstrate economic viability for growing market size Atlantic salmon in a closed system on land. Information reported out from the Kuterra project indicates that several technical challenges remain to be resolved, these include; small size of fish, high maturation rates, off-flavours and cataracts. Kuterra has a production capacity of 300 MT as compared to open-net farming that has a production capacity of around 3000 MT. Kuterra has yet to demonstrate financial profitability. The company, including all assets, intellectual property and brand is currently for sale. Total capital and start-up operating cost for the Kuterra project was \$12.7 million (M).

The Province provided a small amount of startup funding (\$157,615) and in-kind staff support at the conception stage of the project before it became Kuterra, which was critical in catalyzing further investment. Most of the funding for Kuterra came from federal (42%), charitable (24%), aboriginal community (0.4%) grants in addition to equity and financing instruments from the 'Namgis First Nation (26%).

Outside of B.C. there is one other closed containment project in Nova Scotia, several projects in Europe and Asia, and interest in developing additional projects in South Africa and the US. All of the projects have

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required very significant investment capital with little publically available information on economic viability. For the most part, profitability remains unproven and a key constraint.

Key approaches used to address profitability include locating farms as close as possible to key markets to reduce transport costs and through economies of scale. The most notable project to attempt this is the Atlantic Sapphire project in Florida which is projected to cost \$817M over the next nine years to build the system with a production capacity of 90,000 MT once fully operational.

The transition from open-net pens to land-based closed containment systems must consider two factors: 1) impact on current investment and opportunity cost to the existing open-net pen salmon farming industry; and 2) addressing the gaps to make land-based salmon farming technically and therefore economically viable.

Based on the number of currently operating open-net salmon farms, transition to land-based systems would result in an estimated lost capital investment of \$330M. In comparison, based on an estimated cost of \$15M/1,000 MT of production, an additional investment of approximately \$1.2B would be required for capital to build the infrastructure to move the industry on land, not including land costs. Additional costs that would be incurred by industry include higher operating costs and the ongoing research and development costs to address unresolved technical issues. If an attractive return on investment can be demonstrated through innovation research to reduce cost of production, capital costs could potentially be amortized over time and through economies of scale.

Currently there are several land-based closed containment farms using RAS technology to grow market size fish including steelhead trout, sturgeon, tilapia as well as several salmon hatcheries that supply young salmon (smolts) for growing out in net pens. These sites are very small (50-150 tonnes) catering to niche, high value markets and because of this, are economically viable.

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**Suggested Response:**

- The Province's commitments relate to marine based aquaculture are as follows:
  - 1) Ensure that the salmon farming industry does not endanger wild salmon by:
    - a. implementing the recommendations of the Cohen Commission;
    - b. keeping farm sites out of important salmon migration routes; and,
    - c. supporting research and transparent monitoring to minimize the risk of disease transfer from captive to wild fish.
  - 2) Provide incentives to help the aquaculture industry transition to closed containment where possible.
- 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 in B.C., as well as encouraging new projects.
- Transitioning the industry to closed containment aquaculture will take significant new financial investment and time. Industry may not be receptive to move to closed containment operations where financial viability is still unproven.
- Government will need to strategically focus investments and provide the best possible chance of developing a viable and sustainable aquaculture industry as well as ensuring economic development opportunities and jobs in rural coastal communities.
  - There may be a longer term vision of moving the entire industry to land-based aquaculture

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- There are also medium term opportunities to increase the use of closed-containment to reduce the grow-out time for open-net pen aquaculture. This has the potential to significantly reduce the risk to wild salmon.
- MAACFA has discussed a range of matters related to finfish aquaculture and is anticipated to provide their report with recommendations in the fall or winter of 2017. The B.C. government looks forward to receiving and reviewing the report and any recommendations it includes.

Contact: David Travia, Corporate Governance, Policy and Legislation, 250 356-7640

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Rick Silver of Islands West Produce on September 14, 2017.**

Ref: 186741

Date: September 8, 2017

**Issue:** Rick Silver of Islands West Produce requested a meeting with the Minister to discuss food safety aspects of the Feed B.C. initiative.

**Background:** Islands West Produce is located in Saanich, B.C. in the electoral district of Saanich-South. The company is co-owned by brothers Wayne and Ian Fatt, with Wayne serving as the current president. The current business sits on land that the Fatt family has used for five generations. The Fatt family previously operated "Fatt's Poultry" on the land. In the 1980s the Fatt family bought Islands West Produce and moved it to the family-owned land. Wayne and Ian Fatt are also active in the local business community, with interests in Portofino Bakery.

Islands West Produce buys produce from B.C. farmers and delivers it as far north as Campbell River on Vancouver Island, and to Vancouver. The company sells fresh and pre-cut produce, herbs and spices. As of 2014, Islands West had approximately 100 employees. The company specializes in serving "grocery stores, restaurants, hotels, hospitals, schools and Government facilities."

Rick Silver is the Hazard Analysis Critical Control Point or "HACCP" Coordinator for Islands West Produce. Mr. Silver wrote to the ministry after hearing about the Feed B.C. initiative to increase the use of B.C. grown and processed foods in hospitals, schools and other government facilities. Mr. Silver offered to provide advice about HACCP principles as they apply to B.C. farms and agri-food vendors. Mr. Silver claims he is a certified HACCP professional with over 40 years of experience in the food industry.

**Discussion:** HACCP is a systematic and preventative approach to food safety. HACCP aims to identify problems throughout the production process rather than rely on a finished product inspection. HACCP is not a government program, but is widely used throughout Canada to ensure food safety. The Canadian Food Inspection Agency (CFIA) identifies seven HACCP principles:

1. **Hazard Analysis:** identify potential hazards and establish a plan to control these hazards.
2. **Critical Control Points:** A point where action can be taken to prevent, reduce or eliminate a food safety hazard to a satisfactory level.
3. **Critical Limits:** A limit at which a hazard is acceptable without compromising food safety.
4. **Monitoring Procedures:** Establishing monitoring for critical control points and critical limits.
5. **Corrective Actions:** Actions to bring production back on track if the monitoring shows that deviation from critical limits has occurred.
6. **Verification Procedures:** In addition to monitoring, applying tests, procedures or samples to determine if a control measure at a critical point has been operating as intended.
7. **Record Keeping:** Records must be kept to demonstrate critical control points are operating as intended. Records must be kept of the monitoring and verification results and all actions taken to respond to any deviations that were found.

Prior to building a HACCP plan, CFIA requires that prerequisite programs to control food safety hazards are developed and implemented. These programs are:

1. Premises
2. Transportation, Purchasing/Receiving/Shipping and Storage

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3. Equipment
4. Personnel
5. Sanitation and Pest Control
6. Recall
7. Operational Prerequisite Programs

In B.C., under the *Food Safety Act* all food establishments must ensure that food is safe for human consumption, and establishments are subject to inspections to verify standards are met. The Food Premises Regulation requires every food service establishment to have an approved food safety plan based on the seven HACCP principles.

HACCP certification is available in many different forms in Canada, usually offered by private institutions or industry organizations. A HACCP coordinator generally leads a company's planning and implementation of a HACCP plan and subsequently ensures that HACCP principles are being followed throughout operations.

**Suggested Response:**

Feed B.C. is a Ministry of Agriculture priority, and is part of an integrated approach along with Grow B.C. and Buy B.C. to increase production, markets and local consumption of B.C. agrifoods.

The Minister may wish to thank Mr. Silver and Islands West Produce for sharing their knowledge and experience of the food distribution business, and acknowledge their input at this early stage in the development of the Feed B.C. initiative.

Contact: Diana Edwards, Policy and Project Analyst, 250-356-1833

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Wild Salmon Forever, September 14, 2017**

Ref: 186743

Date: September 7, 2017

**Issue:** Meeting with Tony Allard Chairman, Wild Salmon Forever

**Background:**

- Mr. Allard is the Chairman of Wild Salmon Forever (WSF) and the owner and proprietor of Good Hope Cannery lodge, a private sport-fishing lodge in Rivers Inlet.
- He recently donated \$100,000 to support the Simon Fraser University led salmon ecology research on Rivers Inlet sockeye salmon, and the Wannock Chinook Protection Plan, which is building a hatchery at the head of Rivers Inlet.
- He also pledged \$250,000 in 2014 to the Salish Sea Marine Survival Project, a five-year research effort to determine the causes of major declines in coho and chinook salmon. The funding was directed to the Strategic Salmon Health Initiative to inventory pathogens suspected of causing mortality in Pacific salmon using genetic research tools to study wild, hatchery, and aquaculture salmon in BC and the possible transfer of harmful microbes between salmon in BC waters.
- Mr. Allard has been personally supporting research to address this issue for many years.
- Good Hope Cannery lodge has donated several ecologically sensitive land parcels to the Nature Conservancy of Canada. Mr. Allard also supports the Pacific Salmon Foundation and the Salish Sea Marine Survival Project.
- Mr. Allard is a member on the Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA, see Appendix 1 - Terms of Reference).

**First Nations Considerations:**

- There are mixed perspectives from First Nations related to aquaculture in B.C. Some First Nations are seeking to have salmon farms removed from their traditional territories. In some cases these farms were established in their territories many years ago. This issue has gained profile because of the new government's commitment to marine based aquaculture and to the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).
- Other First Nations have become active participants in the salmon aquaculture sector with 20 economic and social partnership agreements in place between companies and coastal First Nations accounting for approximately 80% of total production in the sector. First Nations who have chosen to actively participate in salmon aquaculture do so in a variety of ways ranging from: employment in hatcheries, farms and processing plants; providing contracted services and local environmental monitoring; to ownership of site tenures or full business ownership.

**Discussion:**

- 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.
- The Province has established two moratoriums on expansion of the finfish aquaculture industry. The first was established through a provincial Order in Council under the Environmental and Land Use Act in 2008, covering all coastal areas north of Klemmtu. The second was implemented in 2013 in response to a recommendation of the Cohen Commission that no new salmon farms be approved in the Discovery Islands area until at least September 30, 2020 pending additional research and completion of a disease risk assessment process.

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**Ministry of Agriculture**  
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**with Wild Salmon Forever, September 14, 2017**

- In 2015, the Province announced a “pause” on approvals for any new salmon aquaculture tenures and restrictions on amendments to existing tenures to allow for an examination to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with B.C.’s wild fishery resource. On September 30, 2015, B.C. also clarified that it would review applications to amend or to relocate tenures for specific purposes such as health and safety.
- As part of the pause, government committed to:
  - Establish MAACFA to provide strategic advice about the future of marine-based salmon aquaculture. The members of MAACFA include representation from the aquaculture industry, academia, non-governmental organizations, First Nations and senior government officials. MAACFA is expected to submit a final report with recommendations by the end of 2017;
  - Examine establishing a protocol relating to use of Aquaculture Stewardship Certification;
  - Examine feasibility of improved microbe protection coming out of the Strategic Salmon Health Research Initiative.
- As a MAACFA member, Mr. Allard expressed initial dissatisfaction with the original composition of the Council, noting he wanted to see a broader representation of First Nations perspectives, particularly from those opposed to open net-pen salmon farming.
- Based on this feedback, additional First Nations representatives were invited to participate on the Council (see Appendix 2 – MAACFA Membership List).

**Suggested 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.
- I recently had the opportunity to meet with a number of First Nations leaders on a range of topics at the First Nations Leadership Gathering. I was able to hear first-hand from leaders about some of the concerns their communities have with open pen fish farms in their territorial waters.
- I will be sharing what I’ve heard, coupled with the recommendations from the upcoming Minister of Agriculture’s Advisory Committee on Finfish Aquaculture (MAACFA) report with my cabinet colleagues later in the fall.
- Ensuring that the wild salmon are protected is of the utmost importance to our government. Wild salmon provides sustenance for people and wildlife throughout our province, as well as bringing its own economic benefits. We also know that the fish farming industry brings stable jobs to small communities along our coast.
- This is an issue that won’t be solved overnight, but one that will require having everyone at the table to determine solutions going forward. DFO is the lead agency with respect to fish farms in Canada; all discussions on aquaculture licensing must include them.
- Our government is committed to working with First Nations, the industry and Fisheries and Oceans Canada to ensure B.C.’s aquaculture sector is environmentally sustainable and respects First Nations’ rights while providing good jobs for British Columbians

Contact: David Travia, Corporate Governance, Policy and Legislation, 250-356-7640

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Wild Salmon Forever, September 14, 2017**

**Appendix 1 - Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA)**

**Terms of Reference**

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***Background:***

In July, 2015, the Province announced that it will 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 British Columbia's wild fishery resource. Specifically, the government will:

1. Strike a Minister of Agriculture's Advisory Council on Finfish Aquaculture that will include members from the aquaculture industry, non-governmental organizations and First Nations, as well as the Ministry of Agriculture and the Ministry of Forest, Lands and Natural Resource Operations.
2. Examine establishing a protocol for receiving advice from the Aquaculture Stewardship Council in regard to tenures for new aquaculture sites.
3. Examine the feasibility of improved microbe detection at aquaculture sites arising from the work being undertaken by Genome BC in tandem with the other scientific evidence already available to the Province.

Recognizing the nature of the work to be undertaken by the Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA), the Province also stated in July 2015, that while these actions are being undertaken, the Province will not consider any further approvals for new salmon aquaculture tenures.

***Scope and Purpose***

MAACFA will provide strategic advice and policy guidance to the Minister of Agriculture (Minister) about the future of, and issuance of new Crown land tenures for, marine-based salmon aquaculture in BC.

MAACFA's deliberations may include whether or not the Province should pursue development of marine-based salmon aquaculture in BC and if so, should yield recommendations to guide the application and approval process to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with British Columbia's wild fishery resource.

***Principles***

MAACFA will seek to provide a balanced and reasoned approach, mindful of divergent views, supported by staff and subject matter experts.

MAACFA is expected to reach consensus in providing recommendations. If not possible, MAACFA should reflect the different views of the members. MAACFA is not a decision-making body.

***Operation***

**Ministry of Agriculture**  
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**with Wild Salmon Forever, September 14, 2017**

MAACFA may receive presentations from interested parties. MAAFCA may be asked to review and comment on proposals and will have the ability to request briefings from the industry or other experts.

***Confidentiality***

Conversations within MAACFA must be held in confidence. MAACFA members must not discuss or disclose the nature or content of these conversations with the public or the media as Cabinet confidentiality applies to advice and recommendations to be considered by a Minister or by the Executive Council (Cabinet). Similarly, written submissions and background materials prepared to inform MAACFA discussions must not be disclosed publicly.

***Membership***

MAACFA will report directly to the Minister. MAACFA will have an appointed Chair and Vice-Chair to provide neutral and unencumbered leadership. The Ministry of Agriculture (AGRI) will provide the supporting secretariat. Officials from AGRI, the Ministry of Forests, Lands and Natural Resource Operations (FLNR) and the Ministry of Environment (ENV) will support the secretariat as required. MAACFA will be comprised of representatives from:

- First Nations (1 or more members, 1 alternate)
- Marine-based finfish aquaculture producers (1 or more members, 1 alternate)
- Non-governmental organizations (1 or more members, 1 alternate)
- Academia (1 or more members, 1 alternate)
- Marine planning (1 member, 1 alternate)
- Seafood industry/wild salmon harvest and processing (1 member, 1 alternate)
- The Deputy Minister of Agriculture or designate (1 ex officio member and advisor )
- The Deputy Minister of Forests, Lands and Natural Resource Operations or designate (1 ex officio member and advisor)

Fisheries and Oceans Canada (DFO) will participate as an observer and provide advice as appropriate.

In addition, other representatives with technical and academic expertise in the BC agrifoods and seafood sectors may be involved in short-term, task-focused working groups.

***Term***

MAACFA will sunset 18 months after endorsement of the Terms of Reference.

Immediately prior to dissolution, MAACFA will deliver a final report to the Minister.

***Expenses***

The Ministry will be responsible for travel costs, subject to government travel guidelines and requirements.

***Secretariat Support***

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**with Wild Salmon Forever, September 14, 2017**

- James Mack, Assistant Deputy Minister, Ministry of Agriculture (AGRI), and Executive lead for the BC Seafood Secretariat
- Jim Russell, Director, Strategic Seafood Initiatives (AGRI)
- Officials from AGRI, FLNR and ENV as required.

The Ministry will provide meeting space, teleconferencing access and logistical organization.

***Meeting schedule***

MAACFA will report to the Minister on progress, within 100 days of establishment and subsequently as directed by the Minister.

Meetings will be convened at least once per quarter or more often as required.

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Wild Salmon Forever, September 14, 2017**

**Appendix 2 - Minister of Agriculture's Advisory Council on Finfish Aquaculture - Membership List**

Member	Organization
Tony Allard	Chairman, Wild Salmon Forever
Keith Atleo	Operations Manager, Ahousaht First Nation and the Ahous Business Corporation
John Bones	Principal, J.B. Consulting (Land Use Planner)
Dr. Christina Burridge	Executive Director, BC Seafood Alliance
Ernie Crey	Chief, Cheam First Nation
Bill Cranmer	President, Kuterra Hereditary Chief of the 'Namgis First Nation
Jeremey Dunn	Executive Director, BC Salmon Farmers Association
Dr. Anthony Farrell	Canada Research Chair, Faculty of Land and Food Systems & Department of Zoology, University of British Columbia
Larry Greba	Director, Kitasoo Economic Development Corporation
Saya Masso	Natural Resource Director Tla-o-qui-aht First Nation
Dr. Don Noakes	Dean , Faculty of Science and Technology, Vancouver Island University
Rebecca Reid	Regional Director General, Fisheries and Ocean Canada
Brian Riddell	President and CEO, Pacific Salmon Foundation
Tim Sheldon	Deputy Minister, Ministry of Forests Lands and Natural Resource Operations
Lee Spahan	Chief, Coldwater First Nation
Paul Sprout	B.C. Commissioner, Pacific Salmon Commission
Wes Shoemaker	Deputy Minister, Ministry of Agriculture
John Werring	Senior Science and Policy Advisor, David Suzuki Foundation
Tessa Terbasket	Individual First Nation member
Richard Harry	President, Aboriginal Aquaculture Association

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Wild Salmon Forever, September 14, 2017**

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING WITH**  
**INVESTMENT AGRICULTURE FOUNDATION DIRECTOR SEPTEMBER 12, 2017**

Ref: 186614

Date: September 8, 2017

**Issue:** Minister Meeting with the Investment Agriculture Foundation.

**Background:**

The Investment Agriculture Foundation (IAF) of British Columbia (B.C.) is an industry-led, not-for-profit organization representing the agriculture, food processing, farm supply, and post farm gate sectors across BC. Established in 1996, IAF is 1-of-13 "Regional Adaptation Councils" across the country that delivers federal/provincial cost-share programs to the agriculture and agrifood sectors. IAF works with industry and funding partners (such as the provincial government) to invest in projects that enhance the competitiveness, profitability and sustainability of the sector. IAF's mission is to *"assist British Columbia's producers, processors, agri-businesses and rural communities to develop solutions and seize opportunities."*

IAF's Board of Directors includes 13 industry representatives (Appendix A), which includes a representative from Agriculture and Agri-Food Canada and Ministry of Agriculture (AGRI) Assistant Deputy Minister (Arif Lalani) of the Business Development Division (note that government representatives are non-voting members). The Board Directors is responsible for the review and adjudication of project proposals that are submitted using a sector benefit lens.

IAF employs fifteen staff, with Peter Donkers leading as the Executive Director of the organization and member of the Board.

IAF has a longstanding positive relationship delivering funding to BC's agriculture and agri-food industry. IAF deliver and oversees many of AGRI's Growing Forward 2 and other programs and initiatives:

- BC Buy Local Program
- BC Grow Local Program
- BC Agrifood & Seafood Export Program
- Canada-BC Agri-Innovation Program
- Agri-Food Environmental Initiative
- BC Agriculture and Food Climate Action Initiative
- Agricultural Area Planning Program

In March 2017, IAF participated in the "Future of Food" investment meeting, a seminar facilitated by AGRI to discuss the growth and investment opportunities of the BC agriculture and agri-foods sector with key industry, academia, and funders. Through their investments, IAF has accumulated \$15M "Sustaining Agriculture Fund" that they are planning to use to create a new program stream or investment vehicle to further support the agriculture, agrifood and agritech industries.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING WITH**  
**INVESTMENT AGRICULTURE FOUNDATION DIRECTOR SEPTEMBER 12, 2017**

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Attachment: Appendix A, IAF Board of Directors listing

Contact: Mica Munro, Business Program Analyst, Innovation and Adaptation Services, 250 387-4078

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING WITH**  
**INVESTMENT AGRICULTURE FOUNDATION DIRECTOR SEPTEMBER 12, 2017**

**APPENDIX 1: LIST OF IAF BOARD OF DIRECTORS MEMBERS**

**IAF Board of Directors:**

- David Zehnder; **Represents** Cattle, **Region:** East Kootney
- Glenda Gesy; **Represents** Pre-Farm gate, **Region:** Kamloops
- Don Low( Secretary, IAF); **Represents** Tree Fruit and Grapes, **Region:** Kootney
- Dennis Lapierre; **Represents** Community Agriculture, **Region:** Okanagan / Shuswap region
- Ken Bates (Chair, IAF); **Represents** Field Vegetables, Berries & Mushrooms, **Region:** Lower Mainland
- Len Bouwman; **Represents** Dairy, **Region:** Fraser Valley
- Jack DeWit (Vice Chair, IAF); **Represents** s Other Livestock, **Region:** Fraser Valley
- Walter Frische; **Represents** Grains & Oilseeds, **Region:** Peace River
- Arzeena Hamir, **Represents** Emerging Sectors, **Region:** Vancouver Island
- Alistair Johnston, **Represents** s Post Farm Gate, **Region:** Fraser Valley
- Dale Krahn, **Represents** Poultry, **Region:** Fraser Valley
- Bert Miles (Treasurer, IAF); **Represents** Greenhouse, Floriculture & Nursery, **Region::** Okanagan
- Kalpna Solanki, **Represents** Post Farm Gate, **Region:** Lower Mainland

**Non-Industry IAF Board of Directors:**

- Arif Lalani, Assistant Deputy Minister, Ministry of Agriculture
- Peter Donkers, Executive Director, IAF

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**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 186718

Date: September 1, 2017

**Issue:** Trade Overview and the Agriculture and Seafood Sector.

**Background:**

*Why is trade important to the agriculture and seafood sector<sup>1</sup>?*

- Recently, the Advisory Council on Economic Growth, a federally appointed group chaired by Dominic Barton, recommended a strong trade-oriented focus to rapidly grow the Canadian economy with the focus on expanding into the three markets of China, Japan and India.
- Trade is important to B.C.'s agrifood and seafood sector, with B.C. producers and processors exporting \$3.8 billion (2016) to international markets and interprovincial sales of \$4.6 billion (2015). Across Canada, B.C. has the third largest number of export markets for agrifood and seafood in 2016.
- B.C. has over 200 agriculture commodities and 100 species of fish. In 2016, B.C. exported 712 different types of food products to 160 markets around the world. Top export products range from farmed Atlantic salmon (\$524 million in 2016) and crab (\$142 million), to blueberries (\$200 million) and chocolate and cocoa preparations (\$119 million).
- Most economists believe that supporting interprovincial and international trade drives competitiveness and innovation in industries and that protecting domestic industries make those industries less competitive, stifle innovation, may lead to increased pricing and lower selection when there is no outside competition.
- Diversification of markets, both for exports and imports, is also important both for the security of BC agrifood and seafood sales and for the continuity of supply of food imports during market disruptions that can occur due to natural disasters or government intervention (trade barriers).
- The Canadian Agriculture Partnership Agreement (the successor to Growing Forward 2) has expanding markets and trade as one of the six policy priorities that the federal government and provinces and territories will drive under the next five year federal provincial territorial cost shared agreement.

*What are the existing trade agreements that Canada is a part of?*

- The following are international or interprovincial trade agreements that are relevant to the B.C. agrifood and seafood sector:
  - The North American Free Trade Agreement (NAFTA): NAFTA came into force in 1994 between Canada, the U.S and Mexico to create one of the world's largest trading zones.
  - The Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA): CETA was recently negotiated. Over 90 percent of the Canada-EU CETA will come into effect upon provisional implementation September 2017 meaning that all or almost all of the market access provisions for goods and services will be implemented, even though there are still a few outstanding issues that work is underway to resolve. Within seven years 99% of EU tariffs Canada currently pays will be eliminated.
  - The Canadian Free Trade Agreement (CFTA): The CFTA goal is to reduce and eliminate, to the extent possible, barriers to the free movement of persons, goods, services, and investments within Canada and to establish an open efficient, and stable domestic market. The CFTA came into force in July of 2017. This agreement replaces the 1994 Agreement on Internal Trade (AIT) and focuses on interprovincial trade.
  - The New West Partnership Trade Agreement (NWPTA): This agreement creates a single economic region encompassing British Columbia (B.C.), Alberta (A.B.), Saskatchewan (S.K.), and Manitoba (M.B.). The agreement came into force with B.C., A.B. and S.K. in 2010, with Manitoba coming into effect January 2017.

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<sup>1</sup> The agriculture and seafood sector includes the manufacturing sector.

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- The Trans Pacific Partnership (TPP): In January 2017, the United States withdrew from the TPP, leaving the eleven remaining members to continue discussions to determine if an agreement can be reached without the U.S.

*Which countries does B.C. have a strong trading relationship?*

- While both B.C. and Canada have been working to diversify trade relationships, the U.S. remains our primary trade partner, where in 2016, 71 percent of exports went to the U.S., \$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.
- The two-way trading relationship between Canada and the U.S. is considered to be the largest in the world. We would expect this pattern to continue due to the U.S.'s geographical proximity, similar cultures and tastes. However, recent U.S. actions on trade (e.g., NAFTA renegotiation, TPP withdrawal) will add uncertainty in the business environment for the agrifood and seafood sector.
- China, Japan, South Korea, and Hong Kong represent four of BC's top five markets and have been identified as priority markets for Ministry market development attention. BC also has significant export markets in Europe, including France, Germany and the United Kingdom.
- The CFTA will also new interprovincial market opportunities for B.C. producers and processors, including B.C. wineries.

*What is government's role in negotiating trade agreements?*

- The federal government's responsibility on trade is threefold:
  - to negotiate and manage free trade agreements that allow access to markets by lowering or eliminating tariffs and other barriers to market access (such as regulations that discriminate against foreign products);
  - to protect domestic industries from unfair or threatening competition from imports using border measures such as import tariffs and quotas and as well as domestic subsidies; and,
  - to support domestic industries in taking advantage of market opportunities with market intelligence, trade promotion and marketing assistance programs.
- The federal government is also responsible for promoting provincial and national priorities and positions during trade negotiations. The negotiations involve understanding foreign countries priorities and developing agreements where all signing countries will benefit. In every trade agreement getting improved access to foreign markets requires giving increased access to Canadian markets.
- In regards to NAFTA, the U.S. has identified dairy, wine and grain as areas to change in the current agreement. Some of the U.S. states have raised issues about the dairy supply management system, and B.C. wine is likely to be targeted due to BC wine on grocery shelves initiative. It is anticipated that grain will also be a trade priority in the negotiations, given it is a large export product for Canada.
- Canada has not put forward any negotiating response yet, however, has clearly declared that the Canadian supply managed system in the dairy sector works, and that they will defend it in any trade negotiations.
- While provinces have a direct role in interprovincial negotiations, they have no formal role in international trade negotiations. Provinces can help shape federal negotiating positions in areas of concern to them.
- Implementation of a trade agreement opens up new markets for the agriculture and seafood sector, but often includes concessions from Canada to support achieving agreement. The goal is to ensure there is a net benefit to the sectors included in the agreement.
- Within BC, the Ministry of Jobs, Trade and Technology (JTT) takes the lead on developing, coordinating and advancing overall positions on international trade negotiations. However, AGRI works closely with JTT in developing trade policy that reflects the interests of BC's agrifood and seafood sectors.

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*What are government's obligations to trade agreements?*

- All governments have a responsibility to respect trade agreement obligations when developing government priorities, funding core responsibilities, special projects, or initiatives that may interact with the various aspects of the trade agreement (e.g. all trade agreements have procurement obligation guidelines that honor the intention of the trade agreement – See Appendix 1 - International and Interprovincial Procurement Trade Obligations).
- There are trade risks when governments implement programs or what may be perceived as a subsidy (e.g. tax breaks, regional or commodity specific payments or programs), perceived as an injury to the industry in the foreign country, and where the margin of subsidization is considered to be more than negligible (de minimus<sup>2</sup>).
- The provinces need to consult with trade experts to determine if there are trade risks by implementing programs, subsidies or trade breaks, to ensure that the province does not provoke a trade challenge by a foreign country that the federal government would be required to take the lead on.
- A foreign country can impose a duty while a trade investigation is launched. If the investigation is successful, the duties would continue to be in place for at least five years and reviewed annually. If the foreign countries trade challenge was unsuccessful, an appeal could be initiated, so duties could continue until such time as the investigation is complete.
- An example of an existing trade challenge is the U.S., with the backing of the EU, Australia, New Zealand and Argentina has launched a World Trade Organization (WTO) Dispute Settlement Process. The challenge has identified BC's policy of allowing only BC wine to be sold on grocery store shelves as being in violation of Canada's WTO "national treatment" obligations. National treatment means that all products, once imported into a country, cannot be treated differently than domestic products in regards to taxation and regulation.

*What are the trade priorities?*

- Renegotiating NAFTA with the U.S. is important for the B.C. agriculture and food sector, given they are the provinces largest trading partner. In April of 2017, U.S. President Donald Trump said that he was open to renegotiating NAFTA instead of terminating it (as he had previously indicated he would do during his campaign). In August 2017, formal 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.
- AGRI is working with has provided JTT with the agriculture and seafood sector priorities for NAFTA negotiations which are in alignment with the federal government and with other province and territories.
- Supporting the industry to understand the opportunities and implications when CETA comes into forces in September is another priority. For example, under CETA, 17,700,000 kg of cheese quota was given for European cheeses. To provide compensation to the Canadian dairy industry, the federal government announced two programs: the Dairy Farm Investment Program (\$250 million over five years) and the Dairy Processing Investment Fund (\$100 million over four years). The B.C. cheese sector will be able to access this funding and information has been shared to ensure they will have access.
- B.C. continues to be a strong advocate for market diversification and improved market access, particularly in the economically fast-growing Asia Pacific region. With the U.S withdrawal on TPP, it would be beneficial to press the federal government to secure market access in this region.

**Summary:**

- Given that B.C. had the third largest number of export markets for agriculture and seafood in 2016 amongst the provinces, interprovincial and international trade is important to these sectors.
- Although BC's role in influencing international trade is indirect there is an important opportunity for the Minister of Agriculture to work in a coordinated manner with her colleague at JTT, the federal government and other provinces in advocating for a continuing strong and open NAFTA.

<sup>2</sup> De minimus is when the specific subsidy is less than 1% ad valorem or <1% of the total amount under all programs.

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- Governments have obligations to ensure they understand and work to prevent trade agreement challenges related to provincial tax breaks, regional or commodity specific payments or funded programs.
- The Ministry continues to consult with the agriculture and seafood sector stakeholders on their trade priorities, and is working to ensure that all sectors continue to have fair access to markets.

Contact: David Travia, Corporate Governance, Policy and Legislation, 250 356-7640

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**Appendix 1 – International and Interprovincial Procurement Trade Obligations**

	Ministries	Crown corporations	MASH
<b>NWPTA</b>			
Goods	\$10,000	\$25,000	\$75,000
Services	\$75,000	\$100,000	\$75,000
Construction	\$100,000	\$100,000	\$200,000
<b>CANADIAN-FREE TRADE AGREEMENT / AIT</b>			
Goods	\$25,000	\$500,000	\$100,000
Services	\$100,000	\$500,000	\$100,000
Construction	\$100,000	\$5,000,000	\$250,000
<b>CETA (as of Sept 21, 2017) in Canadian Dollar Amounts</b>			
Goods	\$340,600	\$604,700	\$340,600
Services	\$340,600	\$604,700	\$340,600
Construction	\$8,500,000	\$8,500,000	\$8,500,000
*Under CETA, goods and services thresholds for the utilities sector, are \$618,000 (for all governments)			
<b>WTO GPA (next update January 2018)</b>			
Goods	\$604,700		
Services	\$604,700	Not covered	
Construction	\$8,500,000		

\* The MASH sector - Municipalities, School Boards, Publicly-Funded Academic, Health and Social Service Entities

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Shawn Galbraith, Evergreen Medicinal Supply Inc., Sep 20, 2017**

Ref: 186793

Date: Sep 18, 2017

**Issue:** Shawn Galbraith, owner of Evergreen Medicinal Supply Inc. requested a meeting with the Minister to inform her of his intention to build a new medical cannabis production facility in Saanich, B.C.

**Background:**

Mr. Shawn Galbraith is the Chief Executive Officer of Evergreen Medicinal Supply Incorporated. Mr. Galbraith has requested a meeting to inform the minister he is submitting an application to Health Canada to build and license an additional site to grow medical cannabis. His current federally licensed operation, Evergreen, is a 5,700 square foot licensed facility. The facility is located on a 2.9-acre parcel of leased land in the Agricultural Land Reserve (ALR), next to Mitchell's Farm Market on east side of Patricia Bay Highway, south of Island View Road. B.C. Evergreen was incorporated on Aug. 26, 2013 and Health Canada granted Evergreen an Access to Cannabis for Medical Purposes Regulations (ACMPR) licence on March 16, 2017. The licence allows Evergreen to sell, on a wholesale basis, up to 30 kilograms of bulk-dried cannabis a month.

Currently, there are 14 federally-licensed commercial medicinal cannabis producers in B.C. The federal Minister of Health is responsible for issuing licenses for the production of medical marijuana; including the requirements license holders must comply with, the enforcement of those requirements and the standards for how medical marijuana is to be produced. Locations of cannabis production facilities in the province is largely unknown, as federal data on site locations has not been shared with the provincial government, and the province has not completed a formal or comprehensive land use assessment for cannabis production.

The production of medicinal cannabis is a designated farm use in the ALR. The Province has authority over ALR designation and permitted uses, and as a designated farm use, local governments have the ability to regulate – but not prohibit – medical cannabis production in the ALR.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Shawn Galbraith, Evergreen Medicinal Supply Inc., Sep 20, 2017**

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Contact: Jacqueline Cushing, Corporate Governance, Policy and Legislation, 250-356-7219

ED LH      ADM JM      DM WS

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR DECISION**

Ref: 186823

Date: September 19, 2017

**Issue:** Farm Income Issues in 2017

**Background:**

- There have been a number of uncontrollable loss events occur in 2017 which are having significant impacts on the income of farmers and ranchers. The events include:
  - forage winterkill in the Nechako and to a lesser extent the Peace region
  - excessive moisture preventing or delaying grain and oilseed seeding in the Peace region
  - severe hail on grain and oilseeds
  - bertha armyworms on Vancouver Island and in the Interior
  - extensive wildfires through the interior of the province
  - additional loss events may still occur
- The BRM programs (AgriStability, AgriInsurance and AgriInvest) can address some of the financial costs of these adverse weather conditions events. However, there is low participation in the affected areas, some are at or below 50%; except grain sector under AgriInsurance participation is 80%. The programs do not have provision for enrollment after a loss event has occurred.
- The *Farm Income Insurance Act* enables the creation of farm income programs (i.e. AgriStability) that provide money or a guarantee or assurance of income to farmers. Income supports paid through programs established under the Act's regulations (Farm Income Plans Regulation, B.C. reg. 123/2004) are paid out of the Agriculture Income Stabilization Trust Fund (AIS).
- Under the Federal-Provincial Growing Forward 2 Agreement (GF2), funding can be accessed through AgriRecovery to address the extraordinary costs associated with recovery from a disaster. This program is designed to cover extraordinary costs not covered by the existing suite of BRM programs.

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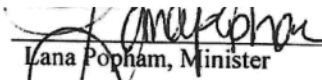
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Lana Popham, Minister

Oct 2, 2017  
Date Signed

Contact: Lonny Steward, Director, Policy and Product Review, BRMB, 250 861-7204

A/ED   BJ   ADM   AL   DM   WS

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## APPENDIX A

### Background on the AgriStability Program

- There are two programs which provide direct protection of farm income from market and weather related losses.
  - Production Insurance (AgriInsurance) protects against crop losses. It is a long standing program that generally does well for its intended purpose.
  - AgriStability provides coverage against margin declines. Margins, at their simplest, are eligible revenue minus eligible expenses. The performance of AgriStability is mixed. Producer satisfaction and participation have slipped across the country.
- AgriStability is highly individualized running off of income tax data and producer declared information on productive capacity (e.g. acres, livestock numbers) and inventory.
- Producer understanding and the administrative and computer systems used to deliver AgriStability are becoming mature. The long standing complaints of AgriStability around timeliness and predictability, although still relevant, are far less pronounced than five years ago.
- Canada pushed for and achieved large cost reductions for AgriStability in Growing Forward 2 (GF2). The target was to achieve a 30% cost reduction. Actual cost reductions have proven to be closer to 50%. This fact coupled with strong market prices and no severe loss events through GF2 have led to a large program surplus in AgriStability.
- Reference Margin Limits (RMLs) are a feature to AgriStability introduced in GF2 as a way to reduce costs in a targeted way. Farms with large margins have limits applied. The purpose was to target program reductions to profitable farms. They have worked quite well for that purpose.
- There are specific farm cost structures prominent in several sectors in B.C. that have been inadvertently impacted hard by RMLs.
- Farms which are highly mechanized, use a large percentage of family labour or have low annual operating costs are disproportionately impacted by RML. These tend to be medium sized (\$250k - \$500k annual revenue) family farms producing perennial crops. A large portion of blueberry, cranberry and cow/calf producers in B.C. fall into this category. These farms have high ineligible expenses under AgriStability so, despite not being particularly profitable, do not receive proportionate protection from AgriStability.
- Producer participation in AgriStability is variable between sectors and between years. Generally speaking less than half of eligible farms, representing about 60% of market receipts participate. The program cost reductions implemented in GF2 have had a negative impact.
- B.C. tried to negotiate AgriStability changes and enhancements into the new Canadian Agriculture Partnership (CAP) Agreement. We were largely unsuccessful but did get a modest adjustment to RML for those most severely impacted.
- Also included in CAP is a provision for late enrollment. Producers can enroll at the end of the tax year (after the loss event). Any payments are reduced by 20%.
- B.C. uses a trust account to fund AgriStability and AgriInvest (payments and administration costs). An annual provincial budget transfer is deposited into the account. Payments and administration costs are paid from the account. 60% of these costs are recouped from Canada and deposited into the trust. Any annual surpluses accumulate in the account for use against future costs.
- There are three design features to AgriStability that drive payment amounts:
  - The **payment trigger** is the percentage drop in the program year margin compared to the reference margin before a payment is made. The trigger is currently a 30% or inversely 70% of the reference margin is covered by AgriStability.
  - The **RML** is a limit placed on how high a reference margin can be. Reference margins cannot exceed the eligible expenses from the reference period. CAP contains a provision that only allows RML to reduce the reference margin by a maximum of 30%. Any farm where annual expenses are less than half of annual revenue through the reference period will have an RML applied.

- **Compensation rate** is the percentage of the loss below the payment trigger AgriStability pays for. The current compensation rate is 70%.
- The only driver which has trade issues is the payment trigger. There is a difference in how trading partners view subsidy programs if they have a payment trigger of less than 30%.
- AGRI has been considering the feasibility of providing higher coverage under AgriStability since it became apparent improvements would not be successfully negotiated nationally.
- The changes contemplated have been to reduce the impact or eliminate RMLs all together and to increase the compensation rate to 80%. The increase in compensation rate would only apply on portion of loss on the positive margin. Compensation on the negative margin portion (eligible expenses exceed eligible revenue) of the loss remain at 70%.
- These changes return the two parameters to pre-GF2 levels and address the most significant income protection gaps. They also reduce disparity between farms due to cost structure (eligible vs. ineligible).
- Payment triggers have the greatest impact on annual program cost and variability and potentially draw scrutiny from trading partners.
- Projecting the marginal cost of B.C. Only AgriStability changes were not possible until the terms of CAP were decided which did not happen until July 2017.
- Any cost projections of AgriStability must be prefaced with a caution that payments are made due to changes in market prices and production levels. These can only be assumed.

Under CAP agreement AgriStability rules preliminary estimates of eliminating the RML and increasing compensation rate to 80% is an annual average cost increase of approximately \$3 to \$4 million. It is possible to add more accuracy and certainty to estimates with further analysis but costs will always be determined by future events.

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR TWO MEETINGS (A JOINT  
MINISTERS' MEETING AND A ONE-ON-ONE MEETING) WITH THE BRITISH COLUMBIA  
CATTLEMEN'S ASSOCIATION ON SEPTEMBER 19, 2017.**

Ref: 186648

Date: September 13, 2017

**Issue:** Two meetings with the British Columbia Cattlemen's Association (BCCA) to discuss key priorities and issues.

**Background:**

The BCCA represents a membership of approximately 1,200 ranchers, representing approximately 72% of the provincial cattle herd. The purpose of the BCCA is to promote, encourage, protect and develop the cattle industry in British Columbia (B.C.), in an environmentally responsible manner. Although times have changed since 1929, the BCCA's direction remains the same: To maintain and strengthen the sustainability of the B.C. beef industry. The President of the BCCA is Brian McKersie and the General Manager is Kevin Boon.

BCCA has requested meetings to discuss their key issues and priorities with the Minister of Agriculture (AGRI), as well as other Ministers (Minister of Forests, Lands, Natural Resource Operations and Rural Development (FLNR), Minister of Transportation and Infrastructure (TRAN), Minister of Environment (ENV) and Minister of Indigenous Relations and Reconciliation (IRR)).

**Discussion:**

*Key priorities identified to the Minister of Agriculture:*

**Water for Livestock:**

- BCCA's priority is to ensure protected water for livestock and agriculture.
- BCCA's position is that livestock should have the ability to continue to directly access surface water sources, on both private land and Crown Range.
- The proposed Livestock Watering Regulation (LWR) under the *Water Sustainability Act (WSA)* supports improved water management and the protection to the environment by facilitating the development of off-stream watering systems and improving direct access to water for livestock.

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**Groundwater Licensing:**

- The *Water Sustainability Act (WSA)*, along with new fees and rentals, came into force on February 29, 2016, introducing groundwater licensing as a new legal requirement for non-domestic (including agricultural) use.

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**CATTLEMEN'S ASSOCIATION ON SEPTEMBER 19, 2017.**

- AGRI is part of the provincial implementation team that has delivered over 20 in-person workshops to help BCCA members with their online submissions.
- The team has also developed the online BC Agriculture Water Calculator to assist applicants with the data and map requirements as part of the application process.
- BCCA indicates ongoing concerns about the length of time it takes for existing groundwater applications to be processed.

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**Invest in Water Storage:**

- Cattlemen own and operate about 60% (900) of the 1,500 active dams and reservoirs in B.C. that divert and store water for farm uses such as livestock watering and irrigation.
- BCCA's priority is to seek opportunities for the creation of additional water storage infrastructure in B.C. Past and existing support for water infrastructure includes:
  - The Canada-British Columbia Water Supply Expansion Program (CBCWSEP) provided funding to BCCA for dam assessment repairs and upgrades between 2006 and 2009;
  - A joint project between AGRI, FLNR and BCCA to estimate the number of active agricultural dams and to gather related information about the dams;
  - The Environmental Farm Plan (EFP) and the Beneficial Management Practices (BMP) programs provides funding to construction works of erosion control dams in riparian areas;
  - The Agriculture Water Demand Model (AWDM) to estimate the current and future water requirements for agriculture including irrigation and livestock watering based on current land use and climate conditions as well as projected climate change and potential changes in land use, resulting in a baseline for the increased storages necessary to maintain growth in agriculture;
  - Through a project led by the Climate Action Initiative (CAI), the BCCA has been a key partner in developing the BC Agriculture & Climate Change Regional Adaptation Strategy for the Cariboo, as well as completing a study and delivering a series of workshops to producers on maintaining and enhancing dams in the Cariboo.
  - AGRI has also begun some preliminary work to gather information on water infrastructure needs for agriculture, and assess the economic and financial feasibility.

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**CATTLEMEN'S ASSOCIATION ON SEPTEMBER 19, 2017.**

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**Drought:**

- AGRI was one of the eight agencies, with FLNR as the lead, to be involved in the development of the Provincial Drought Response Plan after a severe drought occurred in Southern Interior in the summer of 2009.
- As of September 8, 2017, four regions are at drought level 3 (East Vancouver Island, Lower Fraser, Middle Fraser and North Thompson), and four regions are at drought level 4 (Nicola, Similkameen, South Thompson and Kettle Valley). Producers in the Coldwater and Salmon River systems have been requested to voluntarily cease irrigation. Some regions will likely experience some level of drought this year, but given past and current forecast conditions, the level of severity is not expected to be as high as in the previous two years.
- AGRI has developed an online Agriculture Irrigation Scheduling Calculator for producers to make good water management decisions based on climate conditions, with the intent that water savings at the start of the growing season will help stretch water availability in streams and aquifers longer through the season.
- The EFP/BMP programs have been providing funding to producers to convert their existing irrigation systems to more efficient ones to conserve water. AGRI has also been delivering irrigation workshops across the Province to educate producers on water conservation and drought strategies.

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**Wildlife Management:**

- Most of British Columbia's agricultural production occurs adjacent to significant wildlife habitat and damage to crops from wildlife, particularly forage crops, is common.
- FLNR has responsibility for the management of the Province's wildlife populations and the impact of wildlife on agriculture is linked to FLNR's population management strategy.
- An inter-ministry team from AGRI, FLNR and ENV gathered input from producers and other stakeholders in 2016/17 to discuss how to improve programs and policies regarding agriculture wildlife conflict.

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**CATTLEMEN'S ASSOCIATION ON SEPTEMBER 19, 2017.**

- The Agriculture Wildlife Program (AWP) provides compensation, at no cost to the producer, for grain, forage and cattle predation losses (delivered by the Business Risk Management Branch (BRMB)).

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**Expanded Agriculture Wildlife Program:**

- BCCA would like the province to consider expanding the Agriculture Wildlife Program (AWP) beyond hay lands to include grazing/pasture lands and stack yard fencing protection.

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**Processing Opportunity and Packing Plant:**

- BCCA has been exploring opportunities to create a federal beef processing plant to better utilize B.C. products.
- In 2015, Investment Agriculture Foundation (IAF) funded the BC Cattlemen Association (BCCA) \$124,000 for a Viability Report for a Federally Inspected Beef Packing Plant. In 2016-17, through Growing Forward 2 (GF2) BCCA was funded \$144,000 for the next step of developing a business plan for a federally inspected beef processing plant.
- AGRI met with the BCCA on June 19th to discuss the plan, it was agreed it would not be released while government was in caretaker mode. BCCA agreed to provide, through Ministry staff, a plan for communications when release is contemplated.
- Should the BCCA choose to move ahead with commercialization, the Province may consider providing assistance to the initiative in the following areas:
  - Provide an initial grant towards commercialization of the plant;
  - Provide resources and/or funding to assist with increasing the number of natural beef and/or certified organic beef farms in the province;

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**CATTLEMEN'S ASSOCIATION ON SEPTEMBER 19, 2017.**

- Improve access to financing tools and programs for the beef supply chain;
- Provide resources and/or funding to support innovation that will reduce operating costs in waste management and technology in the plant;
- Assist with the development of state-of-the-art feedlots that exceeds BC environmental requirements; and/or
- Support training programs for the labour force.

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**Growth & Sustainability:**

- BCCA encourages the province to consider opportunities to rehabilitate the 2.5 million acres devastated by recent wildfires.
- The recently announced \$20M AgriRecovery program will provide financial support for private land losses and is the first step in the recovery process for the impacted ranches.
- The Ministry recognizes the importance of ensuring there is a base herd within the region to capitalize on future forage opportunities.

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**Farmland – Riparian Interface Stewardship Program (FRISP):**

- FRISP is a program designed to assist producers to protect and enhance water quality and riparian vegetation as well as reduce agricultural impacts on streams and lakes. The program is industry-led to promote education, awareness, and joint planning of habitat restoration on riparian areas adjacent to farmland. The program has also been used to resolve conflict that may arise between resource agencies and landowners.
- FRISP has received numerous provincial awards for leading stewardship activities.
- AGRI has supported this program through EFP/BMP Programs.
- Since 2013, under GF2, AGRI has approved over 120 riparian projects, provided funding in excess of \$1.6M. AGRI has also approved funding of over \$200K for the completion of over 200 riparian management plans through our Environmental Farm Plan Advisors. As well, AGRI has used the FRISP program to assist in developing riparian extension documents, reviewing riparian

**ADVICE TO MINISTER**

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**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR TWO MEETINGS (A JOINT**  
**MINISTERS' MEETING AND A ONE-ON-ONE MEETING) WITH THE BRITISH COLUMBIA**  
**CATTLEMEN'S ASSOCIATION ON SEPTEMBER 19, 2017.**

management strategies and conducting numerous riparian and biodiversity workshops for both the EFP and Agroforestry programs.

- BCCA administers the program and has identified there are budget constraints to keep the program running, seeking opportunities for additional partnerships.

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**Agriculture Waste Control Regulation (AWCR):**

- In 2009, ENV announced a review of the AWCR. The goal was to update the regulation to provide clear and consistent standards for storing, managing, and using manure, agricultural by-products, and other waste materials.
- An AWCR Industry Working Group was established that included membership comprised of 28 industry associations, BC Agriculture Council (BCAC) and Ministry of Agriculture (AGRI).
- The AWCR Industry Working Group includes representatives from BCCA, BC Association of Cattle Feeders and the BC Breeders and Feeders Association.
- AGRI is working to ensure that the Hullcar Review has information about the proposed policy direction of the revised AWCR and information about agriculture. Current direction is a risk based approach, whereby different regulatory requirements would be applied based upon environmental risk. High risk areas such as Hullcar would have to follow more stringent requirements.
- The AWCR Working group has been cautiously supportive of the revised policy direction. It is anticipated that industry will have concerns about specific impacts once the proposed regulation is available and the contents known.

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**ADVICE TO MINISTER**

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**CATTLEMEN'S ASSOCIATION ON SEPTEMBER 19, 2017.**

**Agricultural Land Reserve Review**

- Minister of Agriculture mandate letter: "Revitalize the Agricultural Land Reserve and the Agricultural Land Commission."
- ALR covers 4,615,880 hectares, ~ 5% BC land base.
- Currently the ALR is divided into 2 zones:
  - Zone 1 (Okanagan, South Coast, Island), accounts for 11%; and,
  - Zone 2 (Interior, Kootenay, North), accounts for 89% of ALR.
- BCCA has a 2010 Position Statement on the Agricultural Land Reserve. Its premise is based on food security and that people, land and water are the cornerstones of food security.
- The statement raises concerns that by creating the ALR in 1974, with corresponding reduction in property values, the province has an obligation to ensure farmers and ranchers have the tools they need to support and grow their businesses.
- The statement includes top concerns regarding ALR: reduce/discourage fragmentation of ranch land in and out of the ALR; continue to enable ranchers with options to diversify their businesses.

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Contact: Mark Raymond, Sr. Manager, Innovation Adaptation Services Branch (604) 556-3107  
Byron Johnson, A/Executive Director, Business Risk Management Branch, (250) 861-7200  
Matt Austin, Executive Director, Sector Development Branch, (250) 356-2237  
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(250) 356-5814

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**ADVICE TO MINISTER**

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Pacific Salmon Foundation, October 18, 2017**

Ref: 186473

Date: September 28, 2017

**Issue:** The Pacific Salmon Foundation requested a meeting with Minister Popham to introduce themselves and brief the Minister on their activities.

**Background:** The Pacific Salmon Foundation (PSF) was established in 1987 as an independent, nongovernmental charitable organization to protect, conserve and restore wild Pacific salmon populations in B.C. and the Yukon Territory. It operates with a volunteer board of directors assembled with leaders from education, law, forestry, mining, recreational and commercial fishing. The PSF:

- Raises money and makes grants to volunteer community groups that conserve and restore streams across the province.
- Manages watershed initiatives in B.C. that catalyze industry, First Nations, provincial and federal governments, and other non-profits.
- Advances science to improve the understanding of factors that limit the abundance of Pacific salmon; and,
- Works with government to prioritize and facilitate strategic salmon conservation in the province.

The PSF argues that in addition to the obvious environmental advantages, restoration of Pacific salmon stocks to former levels would result in significant economic benefits to B.C.

The President and CEO of the Pacific Salmon Foundation, Dr. Brian Riddell, is currently a member of the Minister of Agriculture's Advisory Council on Finfish Aquaculture.

**Salmon-Safe Certification Program:**

Established in Oregon in 1996, Salmon-Safe is a third-party certification program that recognizes and rewards responsible, eco-friendly management practices that protect Pacific salmon habitat and enhance water quality on agricultural and urban lands. To date, over 95,000 acres of farm and urban lands have been certified across the Pacific Northwest, including producers of dairy, eggs, wine, fruit, vegetables and meat. Products from Salmon-Safe farms have been promoted in over 300 stores throughout the western United States.

Salmon-Safe was brought to B.C. by the Pacific Salmon Foundation and Fraser Basin Council, who launched Salmon-Safe B.C. in 2011. To date, more than 40 farms and vineyards across B.C. has achieved Salmon-Safe certification.

**First Nations Considerations:** The work of the PSF is broadly supported by First Nations.

**Discussion:** The Province has significant authority, shared with the Government of Canada, over many critical areas for sustaining B.C. wild salmon fisheries. These include supporting international negotiations that establish sustainable harvesting arrangements for salmon.

The Province delivers foundational diagnostic and research support services that improve the understanding of fish populations and the risks they face by operating the provincial veterinary diagnostic laboratory at the Animal Health Centre in Abbotsford. The Province also provides financial support to the Strategic Salmon Health Initiative (SSHI). The SSHI is a partnership between the Pacific Salmon Foundation, Genome BC and Fisheries and Oceans Canada (DFO). The purpose of the initiative is to clarify the presence and/or absence of microbes in Pacific salmon.

The Province recognizes values and supports wild salmon stocks and fisheries and has a long history of funding programs that support salmon and their habitat. Provincial ministries work together and with DFO to

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**Ministry of Agriculture**  
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**with Pacific Salmon Foundation, October 18, 2017**

minimize the impact of development projects on fish habitat as well as to promote the conservation and enhancement of wild fish populations. The Province has also provided funding to PSF projects through the Living Rivers Trust, with contributions totaling \$13.2 million to date. The Province established the \$21 million Living Rivers Trust Fund and in 2012 provided an additional \$1 million for core programs. The Province created the Fisheries Information Summary System which provides spatial data on fish and fish habitat in freshwater habitat throughout B.C. The Habitat Conservation Trust Fund was established by B.C. with the goals of enhancing B.C. fish and wildlife populations and acquiring key fish and wildlife habitats. The Provincial Riparian Area Regulations were established to provide fish habitat protection during development within municipalities.

**Suggested Response:**

- Ensuring that the wild salmon are protected is of the utmost importance to the Provincial Government. Wild salmon provides sustenance for people and wildlife throughout the province, as well as bringing its own economic benefits. We also know that the fish farming industry brings stable jobs to small communities along our coast.
- 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.
- I recently had the opportunity to meet with a number of First Nations leaders on a range of topics at the First Nations Leadership Gathering. I was able to hear first-hand from leaders about some of the concerns their communities have with open pen fish farms in their territorial waters.
- I will be sharing what I've heard, coupled with the recommendations from the upcoming Minister of Agriculture's Advisory Committee on Finfish Aquaculture report with my cabinet colleagues later in the fall.
- This is an issue that won't be solved overnight, but one that will require having everyone at the table to determine solutions going forward. DFO is the lead agency with respect to fish farms in Canada; all discussions on aquaculture licensing must include them. The Provincial Government is committed to working with First Nations, the industry and DFO to ensure B.C.'s aquaculture sector is environmentally sustainable and respects First Nations' rights while providing good jobs for British Columbians

Contact: David Travia, Corporate Governance, Policy and Legislation, 250-356-7640

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with BC Seafood Alliance, November 6, 2017**

Ref: 186637

Date: September 29, 2017

**Issue:** BC Seafood Alliance (BCSA) requested meeting with Minister Popham to discuss the Pacific Hake fishery.

**Background:**

- Pacific hake are a high abundance, relatively low unit value fish that must be preserved quickly to maintain flesh quality and value.
- In 2016, 78,300 metric tonnes (t) of hake were landed in B.C. waters, generating products worth \$70 million in wholesale value, destined for 27 international markets.
- Pacific hake stocks are currently near record levels in B.C. waters and are often concentrated in harvest areas off Ucluelet. The majority of hake landed in B.C. is processed through the nearby Ucluelet Harbour Seafoods (UHS) plant.
- Historically, the primary market for B.C. hake products has been Russia and the Ukraine until the Crimea conflict resulted in a collapse of the market in 2015. The Ukraine market has recovered somewhat and other markets have been developed.
- Currently hake landings in 2017 are exceeding the processing capacity of both the shore-based plants and B.C. freezer trawler fleet. Industry therefore agreed to a joint venture fishery with a Dutch vessel to land up to 30,000 tonnes this year, an allocation which was supported by the Province.
- In previous years, B.C. hake stocks have been more widely dispersed and mainly accessible to the freezer trawler fleet, as these boats are able to travel longer distances to catch the fish and have onboard capacity to preserve them 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 shore-based processing plants who are asking for a fixed share of the Total Available Catch (TAC).
- B.C. still operates under our formal 1981 policy that historically limited processing-at-sea in order to protect shore-side processors.
- Further background can be found in Appendix 1.

**First Nations Considerations:** Some members of Nu-cha-nulth First Nations are employed at the UHS plant in Ucluelet.

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**Suggested Response:**

- The Province remains supportive and committed to its long-standing policy of prioritizing shore-side processing, and notes the successful transition of the landings away from joint venture fisheries to domestic fisheries, with the current exception of the 2017 season.
- Policies affecting licensing and management are best to be reviewed through existing consultative channels such as GTAC, in partnership with DFO, where all hake processors and stakeholders, including coastal communities, can engage.
- B.C. is encouraged by the recent discussions at GTAC that include the establishment of a working group to study potential reforms in the hake fishery.
- Further analysis to inform discussion on issues including whether the current situation provides a “level playing field,” and a comparison of socio-economic benefits, is best conducted under the guidance of GTAC.

**Appendix 1: Briefing Note on Pacific Hake Processing in BC**

**Appendix 2: Summary of the “Issue papers” produced in support of the UHS proposal.**

Contact: Mike Turner, Corporate Governance, Policy and Legislation, 250-356-1704

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Ministry of Agriculture  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
with BC Seafood Alliance, November 6, 2017

**Appendix 1**

Ref: 185809

Date: February 21, 2017

**Issue:** Pacific Hake Processing in B.C.

**Background:** Ucluelet Harbour Seafoods (UHS) is a seafood processing plant in Ucluelet that has recently developed and shared with the Ministry several issue papers (summaries attached in Appendix 2). The papers propose new fishing conditions for freezer trawlers and an allocation process that would compel 60% of the B.C. hake catch for processing to shoreside plants. The licensing of vessels and the management of the hake fishery is a responsibility of Fisheries and Oceans Canada (DFO). Any changes to the conditions of license would require DFO approval. UHS is hoping to build support for this proposal within local and provincial governments to help influence the federal government.

The papers make the following suggestions that the:

- B.C. hake freezer trawlers have a competitive advantage over shoreside processors due to lower operating costs, lower labour and waste disposal costs, and the belief they process less value-added hake products than shoreside plants;
- existing "priority access" policy that was developed to ensure the development of a domestic hake processing sector has been abandoned by the provincial and federal governments;
- entire shoreside processing of all fish in B.C. is at risk if additional restrictions are not imposed on the existing four freezer trawlers, and if 60% of the hake catch is not directed to shoreside processors; and,
- disposal of offal at-sea by the hake freezer trawler fleet is a foregone economic opportunity that endangers the existing fish offal reduction business.

**First Nations Consideration:** Some members of Nu-cha-nulth First Nations are employed at the UHS plant in Ucluelet.

**Discussion:** Currently the Pacific hake fishery is governed by an Individual Vessel Quota (IVQ) system and the Groundfish Development Authority plan, managed by DFO. This extremely complex management plan was developed jointly by stakeholders that included DFO, fishermen, processors, the Coastal Community Network, and the fishermen's union, as well as the Province. Overall, it has been noted as one of the most sustainable fisheries management regimes in the world. It sought a balance between business and social considerations and has restricted trawl vessel size, capped all trawl vessels quota holdings and capped the percentage of groundfish species for each vessel.

These existing rules and regulations have enabled the freezer trawler owners to purchase four sizeable vessels and assemble economic parcels of hake IVQ. The Groundfish Trawl Advisory Committee (GTAC) has served successfully as the policy development forum for the hake fishery and has as a part of its terms of reference to assist the development of long-term management strategies for the groundfish trawl fishery.

A direct comparison of revenues, expenses, and benefits of hake processed ashore vs. aboard freezer trawlers is not possible with the information provided by UHS in its issues papers. Further analysis, suitable for informed debate on issues, such as whether the current situation provides a "level playing field," and to support future discussions regarding access to the hake resource, would be required. It is likely that compelling 60% of the catch to be landed at shoreside plants will affect the value of the quota held by freezer trawler vessels, which may in turn affect their economic viability.

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Freezer trawlers do enjoy a competitive advantage compared to shoreside operations arising from their mobility, efficiency, and product quality for headed and dressed fish. They have different operating costs than shore-based plants with a limited ability for value added processing. On-vessel dressing, freezing and packaging of fish and disposal of offal at-sea is allowed for all fisheries in B.C. and is common practice in the troll-caught salmon and sablefish fleets. In 2016 shoreside plants mainly produced the same product as freezer trawlers with a limited amount of whole frozen and minced fish.

With the exception of 2016, the recent dispersed pattern of hake distribution in B.C. waters favours freezer trawlers over the smaller fresh or "wet" boats that deliver their catch ashore. The pattern of dispersed schools of fish coupled with uncertain market conditions, has made it very difficult for the B.C. hake sector to catch the majority of its total allowable catch (TAC), allocated under the CDA-US Hake treaty. If the freezer trawler fleet was not present, the gap between the annual negotiated TAC and the actual domestic landed catch of hake in B.C. would have been even larger (Figure 1). This would have further weakened the position of B.C. in annual treaty negotiations with the United States.

On a related front, on the East Coast in 2007, DFO introduced a policy for Preserving the Independence of the Inshore Fleet in Canada's Atlantic Fisheries (PIIFCAF) to deal with a key structural problem known as "trust agreements" (see attached BN 185927). The goal of PIIFCAF is to strengthen the Owner-Operator and Fleet Separation Policies (in Atlantic fisheries since the end of the 1970s) to ensure that inshore fish harvesters remain independent (from fish processors), and that the benefits of fishing licences flow to the fisher and to Atlantic coastal communities. The policies state that for boats 65' in length and less, fishermen must be on their own ship when fishing and must have their own licences. Pacific hake and other B.C. fisheries do not operate in this manner, and have no similar "owner-operator" requirements. It should be noted that a number of fisheries in the Atlantic includes some aspect of processing-at-sea.

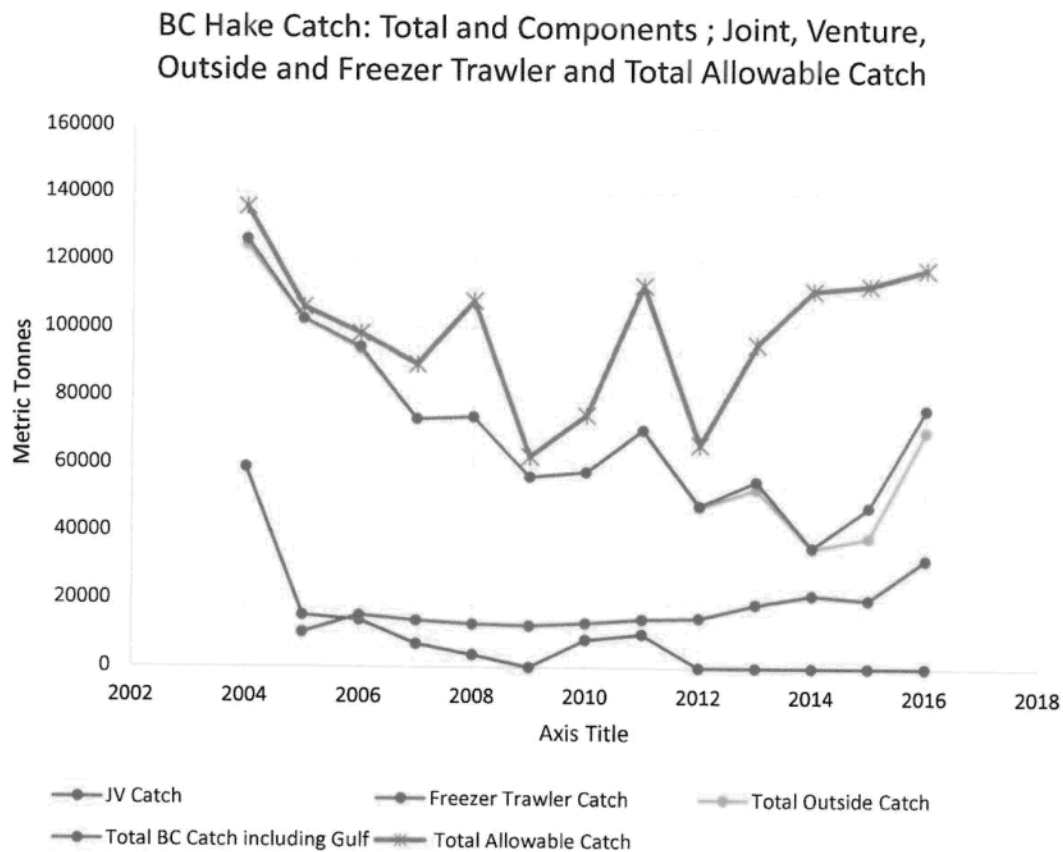
The fleet separation aspect is being challenged in federal Supreme Court and a ruling is expected soon (early 2017). Part of the case rests that it is policy based only, not enshrined in legislation. There have been suggestions that DFO may now be looking to put this policy into legislation, as requested by some Atlantic fish harvester groups. That approach could be problematic for DFO given this requirement would then be a "national treatment" (same on both coasts). This would be extremely difficult and costly to implement this policy approach in B.C. This is also a critical issue for most Atlantic Provinces, although not for B.C.

Contact: Barron Carswell, International Fisheries Advisor, CGPL Branch, 250 356-1678  
ED LH ADM JM DM DS

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**Figure 1. The British Columbia Hake Catch by sector compared to the annual Total Allowable Catch**

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**Appendix 2: Summary of the “Issue papers” produced by UHS .**

**Core Issues in Offshore Pacific Hake Fishery**

**Maximizing the overall value the Offshore Pacific Hake Fishery (Jan 8/17)**

**Background**

- The 2016 Offshore Pacific Hake Harvest Plan states that the groundfish trawl industry agreed to support the following objectives for the fishery:
  - Operations of the shoreside fishery consistent with DFO’s stated ministerial policy that shows priority for shoreside utilization; and
  - Maximize the overall value of the combined (shoreside and joint venture) hake fishery. This includes the value to vessel owners, crew, shoreside plants and coastal communities.
- In 1992, DFO made a policy decision for Canadian shoreside processing over foreign joint venture operations. DFO stated at the time that the number-one priority of the hake fishery is to deliver to shore-based processing. This policy was reconfirmed in 1999.
- This policy decision launched a new Canadian industry where hake processing would be an economic engine and primary employer in the coastal communities where the processing plants are located.
- The economic benefits of shore-based processing for the coastal economy are outlined in a draft paper prepared by Ucluelet Harbour Seafood (UHS).
- In the last fiscal year, UHS saw over 54 million (lbs) of round hake landed and almost 30 million (lbs) of finished product processed. Gross sales are expected to be approximately \$26.7 Million
- UHS employment contributes over \$4 million for over 460 people from May to November. Typically about 70% of the workforce is of First Nation descent.
- Disbursement to various third party vendors, payments to fishermen and taxes and other government payments contributed to the economy increase the value of the shore-based fish processing to the economy of \$69.4 – \$72.1 million.
- In 1992, no Canadian trawl vessels had the capacity to freeze fish at-sea and all fish harvested had to be delivered to Canadian shore-based processing facilities.
- With the introduction of larger trawl vessels with freezing capacity, the policy appears to have been modified to simple shoreside delivery.
- We can find no evidence that the DFO Minister made this policy adjustment.
- Freezer trawlers are allowed to eviscerate (head, gut and tail (HGT)) their own catch or block freeze their own catch in the round before delivery to a federally registered (by CFIA) establishment for the purpose of processing, storage or inspection before export.
- Unfortunately, no further processing occurs when the frozen product is landed and exported out of the country.

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**with BC Seafood Alliance, November 6, 2017**

**Core Issues in Offshore Pacific Hake Fishery**

**Lack of a level playing field between shore-based processors and freezer trawlers (Jan 8/17)**

**Background**

- Freezer Trawlers (FTs) operating costs are lower than shore-based processors.
- Given that FTs can freeze their own harvest at-sea allows vessels to spend more time on the fishing grounds and less time running to deliver the product on-shore results in fuel savings.
- FTs are also able to dump their offal at-sea which is a benefit to the FTs but a loss of economic value to B.C.
- Transportation costs associated with unloading and trucking raw product are avoided.
- FTs avoid the incremental costs borne by shore-based processors for environmental protection, environmental monitoring, hydro-electricity costs, water and sewer costs, property taxes and foreshore leases.
- FTs crew are considered co-adventurers and are paid based on the catch. They avoid some of the costs shore-based processors face meeting the conditions associated with the B.C. Labour Code such as hours of work, overtime and statutory holidays.

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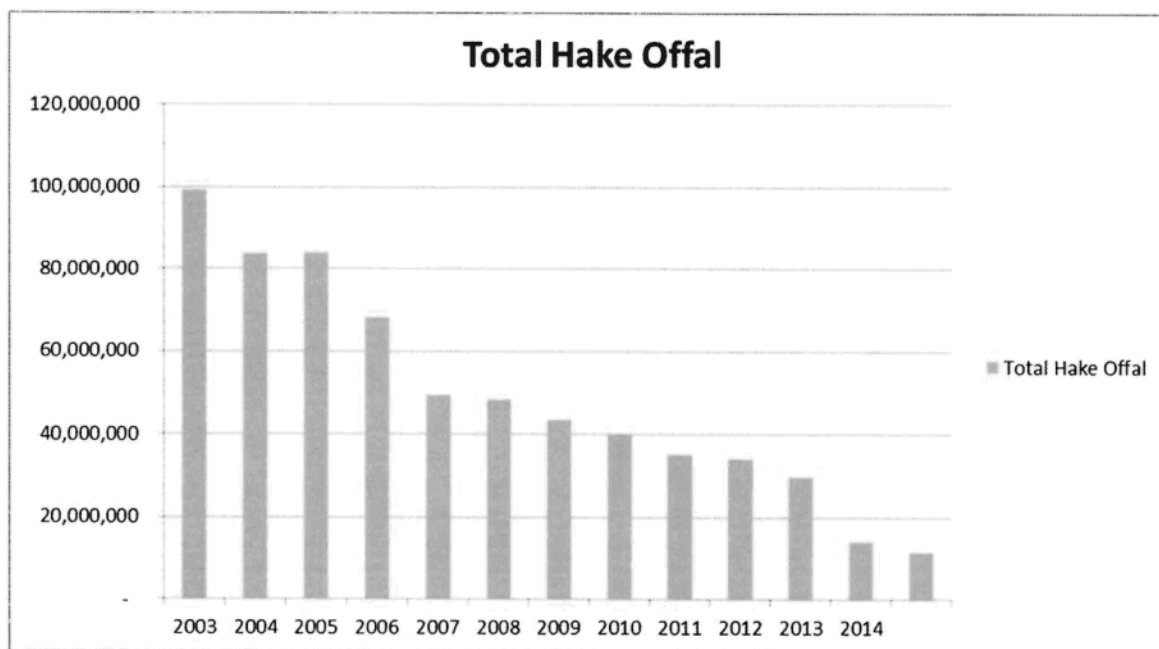
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**with BC Seafood Alliance, November 6, 2017**

**Core Issues in Offshore Pacific Hake Fishery**

**Declining supply of offal for shore-based rendering facilities (Jan 8/17)**

**Background**

- The volume of hake offal available for shore-based rendering facilities has declined steadily since FTs entered the fishery in 2005.



- FTs are allowed to eviscerate and freeze their own catch before delivery to a CFIA registered establishment before export.
- No further processing occurs when the frozen product is landed and exported out of the country.
- The offal produced on the FTs is currently being discarded at-sea.
- The DFO in-season hake fishery report (December 2, 2016) shows that FTs have harvested 70.44 million pounds of hake (48% of the total catch to date).
- The offal from this harvest is estimated to be 28.2 million pounds (40% of the round weight).
- If this offal had been delivered to a shore-based facility for rendering, it would have contributed 560 days of work for trucking companies, an additional six man years of employment in the rendering operations, \$5.6 million in revenue from the sale of fish meal and oil, and the production of food for the aquaculture industry to produce 4.5 million pounds of farmed salmon.
- All of these benefits and the spin off dollars associated with running those companies are lost to the B.C. economy.
- In addition, in 1998, West Coast Reduction (WCR) invested \$26 million in an expanded fish rendering operations on Vancouver Island at Duke Point. The replacement value for this plant today would require an investment of about \$38 million.
- Offal from the hake fishery was the major reason this plant was developed and the commitment by DFO to support the development of shore-based processing of hake in B.C.

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- In 2003, 99.4 million pounds of hake offal was delivered to WCR (79.2 million pounds was processed at the Duke Point plant).
- Since 2005, the volume of hake offal decreased steadily until the operation shut down in 2011.
- This plant has not operated since 2011 and would require around \$250,000 to \$300,000 to reactivate the operation.
- Reactivation of the plant requires an increased supply of offal annually and would inject \$2-3 million into the local economy.
- It is important to recognize that WCR rendering operations have also been impacted by the downturn in other B.C. fisheries such as salmon and roe-herring.
- Without a commitment of offal from the largest volume fishery in B.C., the future of fish rendering operations and the infrastructure that supports B.C. fisheries could cease to exist.
- The groundfish trawl sector is opposed to any formal allocation of hake for shore-based processing but given the competitive advantages available to the FT component of the fleet, we fully expect that the FT component of the fleet will continue to grow, and the jobs and benefits of shore-based processing will be lost to the B.C. economy.
- The paper prepared the UHS illustrated the magnitude of the economic impacts for shore-based processing to B.C. and Canada.

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**Core Issues in Offshore Pacific Hake Fishery**

Government commitment to priority allocation of Pacific Hake for on-shore processing (Jan 8/17)

Background

- Prior to 1977, and the establishment of Canada's exclusive economic zone, foreign fishing fleets had access to some of the marine resources on the B.C. coast.
- With extended jurisdiction, it was Canada's goal to nationalize the hake fishery for the benefit of all Canadians.
- To maximize benefits obtained from our resources, it was viewed as essential that Canadian processing plants have every opportunity to process and market marine resources harvested in Canadian waters.
- In 1980, DFO and the Province jointly developed a restrictive policy regarding the control and licensing of fish processing on board vessels. (The DFO Minister in 1980 was Romeo LeBlanc.)
- In 1978, Canadian fishermen immediately started to take advantage of a fishery for Pacific hake by establishing "joint venture" (JV) operations. Canadian fishing vessels would catch the fish and transfer the catch to foreign processing vessels. Foreign fishing continued to occur for a few years (see Table 2 in the 2015 Joint Stock Assessment Report).
- In 1986, more than 110 million pounds of offshore Pacific hake were harvested in Canadian waters off the west coast of Vancouver Island; however, the hake industry did not create a single job in the fish processing and transportation industries on-shore in that year.
- In 1991, DFO adopted a policy of priority access for the hake harvest to be delivered to shore-based processors over foreign floating processors. They also eliminated foreign fishing in the Canadian zone.
- This policy decision allowed the B.C. on-shore processing operations to start building with a peak harvest of 154.6 million pounds (70,121 mt) in 1999. The 2002–2005 average landings remained high at 141.6 million pounds (64,242 mt).
- In 2005, two trawlers with freezing capacity were purchased offshore and were licensed to operate in the B.C. groundfish fishery. No other trawl vessels in the B.C. fleet had freezing capacity. Since 2005, two more FTs entered the fishery.
- Since 2006, the landings of hake at shore-based processors have declined steadily. In 2014, the four FTs harvested 62% to the total offshore hake harvest. In 2015, the four FTs harvested 55% of the total offshore hake harvest. In 2016, as of December 2, 2016 Offshore Pacific Hake Fishery Report, the four FTs have harvested 48% of the total harvest.
- The hake distribution in 2014 and 2015 clearly favoured FTs who could search for fish. However, in 2016, the hake distribution was more normal and the four vessels are still harvesting almost 50% of the total harvest.
- In 2016, there are only about 18 trawl vessels operating in the fishery and delivering to shore-based processors.
- Section 14(1)e of the Fish Inspection Regulations allows actions to be taken at the time or point of catching to preserve the fish quality and safety before delivery to a registered establishment.
- Unfortunately, no further processing occurs for the fish delivered by FTs when the frozen product is landed, relabeled and exported out of the country.

Issues

**DFO Policy Shift**

- DFO policy has shifted from priority access for on-shore processing to on-shore utilization. There is no definition of what on-shore utilization is, or who authorized the policy change.

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- Effectively, the offshore Pacific hake fishery is two fisheries: Wet boats delivering to shore-based processors; and FTs landing their harvest for direct export.
- The operating costs are different for the two fisheries but there is no allocation for the distinctly different fisheries.
- Without a commitment from government, the FTs component will continue to grow, and jobs and benefits of shore-based processing will be lost to the B.C. economy.
- For on-shore processors to gain access to hake, they must now be prepared to pay a higher price for the fish, or acquire the quota through purchase or leasing.

**Support for Shore-based Infrastructure**

- Shore-based processing provides shore-based infrastructure that support other fisheries and other services required by the fishing industry.
- In 2016, hake were landed at Ucluelet (373 landings 60%), Port Hardy (61 landings 10%), Zeballos (17 landings 3%), and Port Alberni (16 landings 3%) on Vancouver Island. Vancouver (118 landings 19%), Steveston (32 landings 5%) and Prince Rupert (6 landings on the mainland and Westport, WA (1 landing)).
- Vancouver Island ports had 76% of the total landings.

**Offal dumped at-sea**

- FTs are allowed to dump their offal at-sea which represents a significant loss to the B.C. economy.
- Based on the December 2016 in-season hake catch report, the FTs had harvested 70.437 million pounds of hake. Approximately, 28.175 million pounds of waste is dumped at-sea.
- One hundred pounds of offal will produce 20 pounds of fish meal and oil and sells for \$1/pound. This represents a loss of \$5.6 million to the B.C. economy.
- Feed manufacturers currently import fish meal and oil which instead, could be produced from B.C. fisheries.

**Economic Benefits of Shore-Based Hake Processing**

- The paper prepared by UHS illustrates the significant benefits to the local economy from processing hake on-shore.
- These include over \$4 million in employment for over 460 people from May to November. Typically about 70% of the workforce is of First Nation descent.
- In the last fiscal year, UHS saw over 54 million pounds of round hake landed and almost 30 million pounds of finished product processed. Gross sales are expected to be approximately \$26.7 million.
- Disbursement to various third party vendors, payments to fishermen and taxes and other government payments contributed to the economy increase the value of the shore-based fish processing to the economy of \$69.4 – 72.1 million.

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**Economic Impact Discussion for Shore-based Hake Processing**

Shore-based hake processing has a very positive and significant economic impact, especially when considering the influence on the local communities comprised of Ucluelet, Tofino, Port Alberni, and surrounding areas.

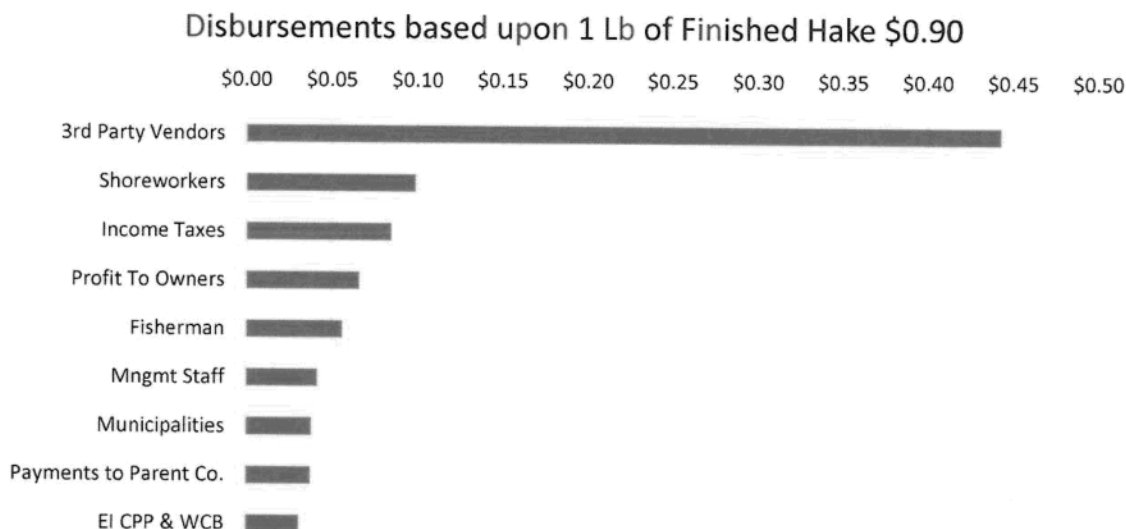
**Employment Impact:**

The UHS plant, located at in Ucluelet, B.C., employed over 460 people during the course of the most recent operating year, and had gross payroll payments of over \$5 million. UHS is actively involved in participating with the local First Nations communities as typically 70% of the workforce from year to year is of First Nation descent.

The local communities rely heavily on the employment opportunities this shore-based hake operation generates, as the recent unemployment rate in the Alberni-Clayoquot Regional District is 30%, with a working population pool of approximately 10,000. As an employment source of several hundred positions, UHS is a critical component of this district's employment landscape.

**Disbursements/Round lb. of Hake:**

The last fiscal year (from November 29, 2015 to November 26, 2016) saw over 54 million round pounds of hake landed, and almost 30 million pounds of finished product processed. Of this total, approximately 71% was off-shore hake, and 29% was gulf hake. Finished products take many forms including headed and gutted, whole round, filleted, and minced. These products reach many diverse markets including Eastern Europe, China, Germany, Spain, the Netherlands, South Africa, Canada, and the United States. The UHS plant processed hake for 48 weeks out of the available 52 weeks during the year. Gross sales are expected to approximate \$26.7 million. Significant disbursements are required in order to transform the landed hake into finished product and deliver to markets. The below chart shows the payments that are made to the various recipients involved in the creation of a finished pound of delivered hake valued at \$0.90/pound Canadian.



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**Third Party Vendor Impact:**

As seen from the chart above, significant disbursements are made to third party vendors. Much of these spends are kept within the local economy, as shore-based processing requires services from unloading docks, ice vendors, packaging suppliers, trucking companies, machinists, and many other local services. Approximately 42% of vendor payments are made to on-island and local businesses, and another 21% of vendor payments remain within B.C. Disbursement records for B.C. hake operations show payments made to 78 regional vendors, 75 additional vendors on-island, and 264 additional vendors within B.C. totaling over \$8.7 million within the province, and \$13.2 million in total.

**Fishing Impact:**

Approximately \$0.055 of every finished pound of processed hake gets paid to fisherman. Total gross payments based upon 54 million round pounds of UHS landed hake are close to \$2.7 million. With typically six to eight active hake boats concurrently operating; each vessel earns \$300 - \$400 thousand per season for the crew. This provides many good paying jobs for the community. The fishing activity also supports many local businesses including marine supply and repair shops, shipyards, fueling stations, custom unloading docks, and grocery stores. Approximately two thirds of hake fishermen live either within the local Alberni Regional District or on-island, and the rest are B.C. residents. The fishing impact is greater when considering the entire on-shore hake industry, where 16-18 vessels participate.

**Taxes and other Government Payments:**

The shore-based hake operations generate significant government payments through plant utilities consumption, plant foreshore leases, property taxes, corporate income taxes, business licenses and permits, and payroll remittances in the form of Federal Income Tax deductions, CPP, WCB, and EI payments. On a finished pound basis, these payments add up to \$4.58 million or approximately \$0.15/pound.

**Economic Multiplier Effect:**

It is difficult to determine the indirect impact of shore-based hake processing with any degree of certainty; however, the above discussion only addresses the initial outlay of disbursements, and these aforementioned spends within the region will obviously generate other additional economic inputs and corresponding outputs. Our own experience tells us that on-shore hake processing provides the foundation for attracting fishing and processing activity of other species through excess plant capacity, hake by-catch opportunities, fishing during hake off-season, quota deployment, and offal processing opportunities. We cite a study done by the Sea Fish Industry Authority of Scotland which has determined the economic multiplier for shore-based seafood processing to be within a range of 2.64 – 2.72. If we were to apply a similar multiplier range to the above discussion, we would yield the following economic impact results:

Area of Economic Benefit	Spends (\$Mil)	Multiplier Range		Cumulative Impact (\$Mil)
		(2.64 - 2.72)	(\$Mil)	
Local Area 1st Nations	\$ 2.06	\$ 5.43 - \$ 5.59		\$ 5.43 - \$ 5.59
Alberni Regional District	\$ 5.51	\$ 14.54 - \$ 14.98		\$ 19.97 - \$ 20.57
Vancouver Island	\$ 4.01	\$ 10.58 - \$ 10.90		\$ 30.55 - \$ 31.48
British Columbia	\$ 5.41	\$ 14.28 - \$ 14.71		\$ 44.83 - \$ 46.19
Canada	\$ 2.99	\$ 7.90 - \$ 8.14		\$ 52.72 - \$ 54.32
International	\$ 6.72	\$ 17.75 - \$ 18.29		\$ 70.47 - \$ 72.61
<b>Total</b>	<b>\$ 26.69</b>	<b>\$ 70.47 - \$ 72.61</b>		

We need to qualify the above; as the overall economic impact of on-shore hake processing within the industry is even greater than what these figures suggest. The UHS plant received approximately 72% of all wet boat deliveries in B.C. The other 27% of hake landings that were processed on-shore elsewhere in the province have not been included in this discussion.



## MEETING

West Coast Reduction Ltd.  
1292 Venables Street  
Vancouver, British Columbia V6A 4B4  
Phone: 604.255.9301

### HAKE ON-SHORE PROCESSING 2016 ECONOMIC BENEFITS

#### 2016 Fish Byproduct Volume

During 2016, hake byproducts resulting from on-shore hake processing represented approximately 40% of the fish byproducts rendered at the West Coast Reduction Ltd. ("WCRL") plant in Vancouver, as indicated in the table below:

<u>Species</u>	<u>Volume (MT)</u>	
Hake	16,104	52%
Herring	7,844	25%
Salmon	2,216	7%
Bottom Fish	<u>4,881</u>	<u>16%</u>
<b>Total (MT)</b>	<b><u>31,045</u></b>	<b><u>100%</u></b>

With the hake byproducts volume generated from on-shore hake processing representing approximately 52% of the total fish byproducts rendered by WCRL, the onshore hake processing is essential to ensuring WCRL can obtain the economies of scale required for rendering. Without these economies of scale, the long term sustainability of processing fish byproducts from all fish species may be in jeopardy.

#### 2016 Direct Economic Impact of Onshore and Other Fish Processing:

##### *Finished Product Sales:*

The fish byproducts rendered at WCRL are processed into fish meals and fish oil which in 2016 generated sales of approximately CAD \$19 million as feed ingredients. The pork, poultry and UCO byproducts rendered and recycled at WCRL are processed into protein meals and feeding fats which in 2016 generated sales of approximately CAD \$38 million as feed ingredients.

<u>Finished Product</u>	<u>Revenue (\$millions)</u>	
Fish meal and oil	\$19	33%
Porcine meal and fat	3	5%
Poultry meal and fat	26	46%
Feeding fat	<u>9</u>	<u>16%</u>
<b>Total (\$million)</b>	<b><u>\$57</u></b>	<b><u>100%</u></b>

Included in the above revenue, were sales of approximately \$47 million to local feed mills which manufacture and supply feed to British Columbia's aquaculture (salmon) industry.

##### *Transportation:*

Payments made to third party truckers to transport fish byproducts from Vancouver Island to the WCRL Vancouver rendering plant were approximately \$1.7 million.

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*Direct Labour:*

Labour to process the fish byproducts amounted to 11 full time jobs and direct labour costs of approximately \$894,000.

*Capital Infrastructure:*

WCRL's Duke Point, Vancouver Island fish rendering plant, commissioned in 1999, has a replacement cost in excess of \$38 million. This fish rendering plant was constructed to support the onshore processing of hake on Vancouver Island, when historical hake byproduct volumes were in excess of 45,000 MT per annum.

Today, this Vancouver Island facility remains idle as low hake volumes (16,104 MT in 2016) do not economically warrant start-up. The plant has not operated since 2011.

The Vancouver Island facility has capacity to process all fish byproducts from onshore hake quota.

**Impact to British Columbia's Agriculture and Agri-food Sector**

The fish byproduct volumes also directly impact the operating efficiencies of the WCRL Vancouver rendering plant. Rendering is the low cost and sustainable recycling solution for fish and meat byproducts.

The table below shows the decline in total fish byproduct volumes rendered since 2010.

<u>Year</u>	<b>Fish Byproduct (MT)</b>				
	<u>Hake</u>	<u>Salmon</u>	<u>Herring</u>	<u>Mixed</u>	<u>Total</u>
2010	18,117	7,095	12,712	5,265	43,188
2011	15,938	6,862	8,342	5,055	36,198
2012	15,442	4,544	8,244	4,075	32,305
2013	13,529	3,986	9,869	4,786	32,170
2014	6,406	3,814	8,223	4,835	23,278
2015	5,276	2,006	6,538	5,150	18,970
2016	16,104	2,216	7,844	4,881	31,045

A significant reduction in byproduct material processed by WCRL will reduce the overall operating efficiencies and impact WCRL's ability to continue to provide a low cost solution to BC's Agriculture and Agri-food sector.

The table below indicates the 2016 volumes of fish, meat (pork and poultry) byproducts processed and used cooking oil ("UCO") recycled.

<u>Byproduct</u>	<u>Volume (MT)</u>	
Fish	31,045	17%
Pork	10,655	6%
Poultry	131,987	70%
UCO	13,677	7%
<b>Total (MT)</b>	<b>187,364</b>	<b>100%</b>

The DFO in-season catch report for Freezer Trawlers indicates a harvest of 31,950 MT of hake in 2016. Assuming a 40% loss in weight by eviscerating and dumping at-sea, this would have otherwise added 12,780

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MT of hake byproducts to rendering operations. If this hake byproduct had been delivered to a shore-based facility for rendering, it would have contributed:

- ~ 560 days of work for trucking companies,
- ~ 6 man years of employment in rendering operations,
- ~ \$5.6 million dollars in revenue from the sale of fish meal and fish oil, and
- feed ingredients for the aquaculture industry to produce ~ 4.5 million pounds of farmed salmon.

All of these benefits and the economic spin-off associated with rendering these hake byproduct at a shore-based facility are lost to the B.C. economy.

Without the fish byproducts volume which provide for economies of scale, the long term sustainability of processing all byproducts and providing local feed ingredients becomes threatened. WCRL's rendering operations are essential to B.C.'s Agriculture and Agri-food sector.

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 186717  
X-Ref: 186665

Date: September 1, 2017

**Issue:** Some First Nations requesting Atlantic salmon farms be removed from their traditional territories.

Industry Statistics:

The B.C. salmon farming sector has been operating for more than three decades. Farm-raised salmon is B.C.'s highest valued seafood product (93,000 metric tonnes worth \$797 million in 2016) and the number one agricultural export. About seventy per cent of the harvest is exported, primarily to the U.S., followed by Japan, China and Hong Kong. Salmon aquaculture is a major employer in rural and remote coastal and First Nations communities. The industry has identified that the industry generated 5,000 jobs, paying roughly 30 per cent more than the provincial median. Between 20 and 30 per cent of salmon farm workers in B.C. are First Nations.

As of July 2017, there were 126 existing salmon farm tenures and of these 65 were operating with salmon on site. There are 20 fish farm tenures (in the Broughton Archipelago) due to expire in June 2018, including the site at Swanson Island presently occupied by First Nations protesters. Typically the client would apply for a tenure replacement several months in advance of the expiry.

Roles and Responsibilities:

Fisheries and Oceans Canada (DFO) is the lead for aquaculture management including:

- Proper management and control of aquaculture including licensing, and management of pollution measures including conservation and protection of wild fish and fish habitat;
- Aquatic animal health including disease prevention, detection and control; feed, medication, and biologics;
- Scientific research and monitoring, data collection on industry performance.

Key provincial responsibilities broken down by Ministry are summarized in the table below:

Ministry of Agriculture	<ul style="list-style-type: none"><li>• B.C.'s lead for seafood industry development</li><li>• B.C.'s lead for strategic aquaculture policy</li><li>• Aquaculture Industry Specialist on staff</li><li>• Maintains Animal Health Laboratory in Abbotsford</li></ul>
Ministry of Forests Lands and Natural Resource Operations and Rural Economic Development (FLNR)	<ul style="list-style-type: none"><li>• Issue tenures authorizing the use of the land, foreshore and marine areas for finfish and shellfish aquaculture (<i>Land Act</i>)</li><li>• Issue freshwater licences (<i>Water Sustainability Act</i>).</li><li>• Marine Use Planning</li></ul>
Ministry of Environment and Climate Change Strategy	<ul style="list-style-type: none"><li>• Issues permits for sewage discharge (<i>Environmental Management Act</i>)</li><li>• Issue permits for pesticide use (<i>Integrated Pest Management Act</i>)</li></ul>



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First Nations and Crown Land Tenures:

There are mixed perspectives from First Nations related to aquaculture in B.C. Some First Nations are seeking to have salmon farms removed from their traditional territories. In some cases these farms were established in their territories many years ago. This issue has gained profile because of the new government's commitment to marine based aquaculture and to the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

Salmon farms may also operate on sites claimed as traditional territory by more than one First Nation, with differing views on the industry. For the majority of the tenures for finfish aquaculture considered to be in the Broughton Archipelago, the Gwawaenuk Tribe; Dzawada'enuxw First Nation; Kwikwasut'inuwx/Haxwa'mis First Nations have historically been opposed to aquaculture in their territory. The Namgis First Nations has also raised their opposition to open net aquaculture and have received government funding to support the land-based recirculating aquaculture system that is occurring in their territory (Kuterra Project). Some Interior First Nations may also oppose salmon farming because of their concerns on its potential to impact wild salmon spawning upstream in their territories.

Other First Nations have become active participants in the salmon aquaculture sector with 20 economic and social partnership agreements in place between companies and coastal First Nations accounting for approximately 80% of total production in the sector. First Nations who have chosen to actively participate in salmon aquaculture do so in a variety of ways ranging from: employment in hatcheries, farms and processing plants; providing contracted services and local environmental monitoring; to ownership of site tenures or full business ownership.

The Province is legally obligated to consult and (where required) accommodate First Nations on land and resource decisions that could impact their Aboriginal interests. To date, meeting the consultation obligations has not required the consent of First Nations. During First Nations consultation processes, measures have been taken over the years to try to address concerns raised by First Nations. Accommodation measures implemented include:

- certain areas placed under moratorium (i.e. no finfish allowed);
- tenures issued with reduced terms for licences (e.g. Broughton tenures were replaced only for 5 years versus up to 30 years);
- some licences were not replaced or approved in certain locations (capacity may have been relocated to another area of coast);
- modifying specific tenure boundaries to address localized issues or values;
- economic accommodation (usually provided by client); and
- "zoning" for aquaculture was covered in the marine plans developed jointly with Province/First Nations (MAPP).

Traditional territories of First Nations commonly overlap, often between First Nations with opposing views such that one may be interested in access to economic benefits, and another that will actively oppose marine-based salmon aquaculture due to the potential risk to wild salmon and associated cultural and environmental significance.



**Ministry of Agriculture  
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Cohen Commission of Inquiry into the Decline of Sockeye Salmon in the Fraser River:

The Commission was established in 2009 to examine the potential causes of the Fraser River sockeye salmon decline. The report includes 75 recommendations regarding the policies, practices and procedures, DFO, eight of which directly or indirectly reference the Province of British Columbia. Although the Commission could not find a “smoking gun” for decline in Fraser River sockeye, the report did recommend that DFO not issue any new licenses for salmon farms or allow increases in existing farm production in the Discovery Islands until at least 2020.

In 2013, the B.C. government accepted the intent of each of the eight Cohen Commission recommendations that directly reference the Province and have implemented them. In 2016, the Minister responsible for DFO issued a progress report on implementation of the Cohen Commission recommendations. The main outstanding issues relate to Canada’s Wild Salmon Policy and DFO has decided to undertake consultations on how to address them.

Research and transparent monitoring to minimize risk to wild salmon:

Fish health monitoring is a joint responsibility of the salmon farm operators, DFO and independent veterinarians. DFO, the Canadian Food Inspection Agency and AGRI also have important regulatory, research and diagnostic roles with respect to managing disease risk. DFO has primary regulatory oversight and is responsible for the aquaculture audit program including sea lice management. B.C. provides salmon health diagnostics services to DFO through AGRI’s Animal Health Centre (AHC). It is the only institution in North America with two board-certified veterinary pathologists who work exclusively with fish.

The Strategic Salmon Health Initiative (SSHI), funded by DFO, Pacific Salmon Foundation, and Genome B.C., is conducting large-scale assessments of microbes carried by farmed and wild salmon (sockeye, chinook and coho) and examining their potential for impacting the health and condition of salmon. The Province is also engaged in and monitoring the progress of the SSHI and other related salmon health research as part of the Minister of Agriculture’s Advisory Council on Finfish Aquaculture (MAACFA) process.

Tenure Moratoriums and the “Pause”:

The Province has established two moratoriums on expansion of the finfish aquaculture industry. The first was established through a provincial Order in Council under the *Environmental and Land Use Act* in 2008, covering all coastal areas north of Klemtnu. The second was implemented in 2013 in response to a recommendation of the Cohen Commission that no new salmon farms be approved in the Discovery Islands area until at least September 30, 2020 pending additional research and completion of a disease risk assessment process.

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In 2015, the Province announced a “pause” on approvals for any new salmon aquaculture tenures and restrictions on amendments to existing tenures. The “pause” is in place to allow for an examination to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with B.C.’s wild fishery resource.

As part of the pause, government committed to:

- Establish MAACFA to provide strategic advice about the future of marine-based salmon aquaculture. The members of MAACFA include representation from the aquaculture industry, academia, non-governmental organizations, First Nations and senior government officials, with a final report with recommendations expected by the end of 2017;
- Examine establishing a protocol relating to use of Aquaculture Stewardship Certification; and,
- Examine feasibility of improved microbe protection out of the Strategic Salmon Health Research Initiative.

During the pause, while there will be no net new salmon aquaculture operations. The Province will:

- review for decision, an application to amend an existing tenure where required to improve safety, operational management or efficiency;
- will review for decision, an application to relocate a tenure to a more suitable location (e.g., to address safety issues); or,
- an application for replacement of a tenure.

Policy also allows for certain changes to improvements (i.e. nets and accommodations) to occur within a tenure area without advance approval but notification to FLNR is required. These changes may include:

- relocation or realignment of improvements within the tenure area;
- a change of 30% or less of the Intensive Area<sup>1</sup> within the salmon tenure boundary; and,
- modification to improvements required to support best management practices, husbandry and to respond to stock availability in a manner that is consistent with all federal authorizations.

**New Government Commitments:**

The new government’s commitments relate to marine based aquaculture are as follows:

- 1) Ensure that the salmon farming industry does not endanger wild salmon by:
  - a. implementing the recommendations of the Cohen Commission;
  - b. keeping farm sites out of important salmon migration routes; and,
  - c. supporting research and transparent monitoring to minimize the risk of disease transfer from captive to wild fish.
- 2) Provide incentives to help the aquaculture industry transition to closed containment where possible.

B.C. is working with DFO on how to meaningfully move forward on outstanding Cohen Commission recommendations. This will likely be focused on investments to improve the health of the wild salmon population as part of DFO’s wild salmon policy.

<sup>1</sup> Intensive area means the area of Crown land used for activities and related improvements directly associated with the production of finfish. The intensive area will include net cages, netting, float camps, net storage, docks and mort sheds as well as a 30-meter buffer around these structures.

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B.C. has provided funding previously to support closed containment research. B.C. is in discussions with DFO about a potential new Clean Tech Fund for Fisheries and Aquaculture that could support further work in this area.

Contact: David Travia, Corporate Governance, Policy and Legislation, 250-356-7640

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**Ministry of Agriculture  
BRIEFING NOTE FOR MINISTER FOR INFORMATION**

**Key Messages on Finfish Aquaculture**

- B.C. is closely watching the recent escape of Atlantic salmon in the State of Washington.
  - DFO has been monitoring the fish farms and publicly reporting escapes for years
  - BC had 22 Atlantic salmon escape in the last year and only 10 total escapes over the previous four years.
- DFO has an audit program that regularly monitors the aquaculture industry in BC
  - The program audits and publicly reports on conditions of licence including:
    - ✓ Escapes
    - ✓ Biomass on site
    - ✓ Fish health (including sea lice)
    - ✓ Benthic monitoring
    - ✓ Unusual Mortality events
    - ✓ Veterinary drug and pest control products
    - ✓ Marine mammal interaction
    - ✓ Net testing (maintenance, net strength testing)
- B.C. provides salmon health diagnostics services to DFO through Ministry of Agriculture's Animal Health Centre.
  - It is the only institution in North America with two board-certified veterinary pathologists who work exclusively with fish.
- 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 will not consider any further approvals for new salmon aquaculture tenures.
- The review included the commitment to form Minister of Agriculture's Advisory Council on Finfish Aquaculture with members from the aquaculture industry, non-governmental organizations, First Nations and provincial government employees.
- B.C. is also looking at the use of Aquaculture Stewardship Council Certification for B.C. salmon farms, as well as the Strategic Salmon Health Research Initiative.
- The Council has met and discussed a range of matters related to salmon aquaculture and is anticipated will provide their report with recommendations in the fall or winter of 2017.
- The B.C. government looks 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 is responsible for the conservation and management of wild fisheries and has oversight of aquaculture operations in Canada, and as such, the B.C. government works in collaboration with them in all areas involving their jurisdiction.

**Ministry of Agriculture**  
**BRIEFING NOTE FOR DEPUTY MINISTER FOR INFORMATION FOR MEETING**  
**with Her Excellency Anne Karie Hansen Ovind, Ambassador of Norway, October 11, 2017**

Ref: 186933

Date: October 6, 2017

**Issue:** Meeting with the Ambassador of Norway, Her Excellency Anne Karie Hansen Ovind.

**Background:**

- The Norwegian delegation includes Ambassador Ovind, Mr. Yngve Torgersen who is the Director of the Section for Aquaculture Management in the Norwegian Ministry of Trade, Industry and Fisheries, and Minister Counsellor Else Kveinen at the Norwegian Embassy.
- On October 10-11, 2017 the delegation is in Victoria to attend a Quadrilateral Aquaculture Meeting (Canada, Chile, Norway and Scotland) followed by the Seafood West Conference, hosted by the BC Salmon Farmers Association (BCSFA) (see attached agenda).
- The meeting was requested as a courtesy visit, but also an opportunity to exchange information about priorities within the field of aquaculture and ocean policy.

Norway

- Norway leads the world in salmon aquaculture production, has major fisheries and marine shipbuilding industries and is a major global producer of offshore oil.
- Norway is Europe's largest supplier of fish and fish products. Over recent decades, Norway's fish exports have risen exponentially, primarily based on the growth of salmon aquaculture, while wild fisheries catch volumes have decreased.
- Similar to B.C., 95 percent of what is produced is exported in the form of over 2,000 different products, to approximately 150 countries.
- The industry employs about 30,000 people (14,000 in fishing, 6,000 in fish farming and 10,000 in processing). The number of people who identify themselves as 'fishermen' in Norway is declining.

BC Industry Statistics:

- Canada is the world's fourth-largest producer of farmed salmon, surpassed by Norway, Chile, and the United Kingdom (Scotland). B.C. produces over 70 percent of Canada's farmed salmon production.
- The B.C. salmon farming sector has been operating for more than three decades. Farm-raised salmon is B.C.'s highest valued seafood product (93,000 metric tonnes worth \$797 million in 2016) and the number one agricultural export. About 70 percent of the harvest is exported, primarily to the U.S., followed by Japan, China and Hong Kong.
- Salmon aquaculture is a major employer in rural and remote coastal and First Nations communities. The industry has identified that the industry 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.
- As of July 2017, there were 126 existing salmon farm tenures and of these 65 were operating with salmon on site.
- In 2015, B.C. put in place a "pause" on new tenures for Atlantic salmon farms pending recommendations on the future of the industry from the B.C. Minister of Agriculture's Advisory Council on Finfish Aquaculture expected by the end of the year. The current "pause" is in addition to a previous moratorium on all salmon farming north of Klemtu as well as a temporary moratorium on new farms in the Discovery Islands until 2020.

**First Nations Considerations:**

- Salmon farms are currently located in the traditional territories of 28 First Nations, with 20 economic and social partnerships in place with B.C. salmon farmers (BCSFA annual report).
- 78 percent of B.C.'s salmon production comes from areas covered by partnerships with First Nations.
- First Nations communities provide approximately 30 percent of the workforce on the farms of B.C.'s four largest salmon farming companies.

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- 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.
- Norway's Indigenous people, the Sami, have been subject to historic discrimination similar to that of First Nations in Canada.

**Discussion:**

- Norway and B.C. share similar geography and maritime, forestry, fisheries and hydroelectric economies.
- Norwegian salmon farming companies, Marine Harvest and Grieg, are the major producers in B.C. and transfer of technology and knowledge is standard practice.
- Norway has much experience in issues surrounding fish health, sea lice, and public concern with the impacts of open net-pen salmon farming.
- Some consider Norway's current regulatory regime for salmon farming to be more progressive than B.C.'s framework.
- Amid current public and First Nations concerns related to salmon farming, there may be valuable lessons from the Norwegian experience that can be shared.
- Noting the significant investment already here, the delegation may ask about opportunities for growth in the B.C. salmon farming sector.

**Suggested Response:**

- Ensuring that wild salmon are protected is of the utmost importance to our government. Wild salmon provides sustenance for people and wildlife throughout our province, as well as bringing its own economic benefits. We also know that the fish farming industry brings stable jobs to small communities along our coast.
- B.C. appreciates the investments made by Norwegian companies that have helped develop salmon farming into such a successful industry here. B.C. continues to look to Norway for leadership and collaboration in aquaculture and fisheries policy and technology.
- The B.C. government is committed to working with First Nations and industry to ensure B.C.'s aquaculture sector is environmentally sustainable and respects First Nations' rights while providing good jobs for British Columbians.

Contact: David Travia, Corporate Governance, Policy and Legislation, 250-356-7640

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**MINISTRY OF FORESTS, LAND, NATURAL RESOURCES AND RURAL DEVELOPMENT,  
MINISTRY OF AGRICULTURE, and  
MINISTRY OF ENVIRONMENT AND CLIMATE CHANGE  
INFORMATION NOTE FOR DEPUTY MINISTER FOR MEETING  
With Deputy Minister Catherine Blewett, Fisheries and Oceans and the Canadian Coast Guard,  
October 10, 2017**

CLIFF 186941

October 6, 2017

**PREPARED FOR:** Deputy Ministers Tim Sheldan, Wes Shoemaker, Mark Zacharias and Bobbi Plecas

**Proposed Agenda Topics:**

1. Provincial Overview (new government priorities)
2. Oceans Protection Plan overview
  - a. Updates on Marine Conservation Targets
  - b. Update on the National Market Access and Development Initiative
3. Fish/Aquaculture issues
  - a. *Fisheries Act* review
  - b. Salmon aquaculture
4. Short update on Southern Resident Killer Whale Symposium

**Appendix 1: Other Potential Topics:**

1. K<sup>'</sup>omoks and Geoduck
2. Derelict Vessels
3. Aquatic Invasive Species

## **1. Provincial Overview – Province (All)**

### **Key Messages:**

- Broadly speaking, the Natural Resource Ministries did not have many significant structural changes beyond some movement at the executive levels.
- Most of the ministry changes occurred on the social / health side.
- We do however, have new mandates with this government and are currently preparing for several significant decisions.
- For example:
  - commitment to the UN Declaration on Indigenous People;
  - Modernizing resource planning (land use planning) with First Nations;
  - Endangered species legislation;
  - New wildlife management models; and
  - Improving and transitioning finfish aquaculture technologies and reducing potential impacts on wild fish health.

## **2. DFO: Ocean Protection Plan Overview (ENV & FLNR)**

### **Key Messages:**

- The Province is pleased to see the renewed federal investment in coastal and ocean management in the Pacific.
- We will continue to work with relevant federal agencies to ensure Provincial interests are considered as we move forward on these initiatives.
- FLNR is particularly interested in the derelict vessel program and will continue to work with you on ensuring the approach is successful and addresses local concerns and priorities.  
NOTE: please see “Other Topics” for further information re: derelict vessels
- We are interested the type of coastal restoration projects (related to the Coastal Restoration Fund) that will be selected and how DFO is collaborating with Indigenous communities on coastal issues;
  - We could leverage complementary programs (e.g., MaPP, some land use planning – GBR) in an effort to better collaborate.
- As the Province is currently engaged in multiple initiatives with DFO (marine planning, Marine Protected Areas, emergency response, aquaculture and fisheries) regular communication is essential to ensuring we are both leveraging capacity and opportunities effectively.

### **Background:**

- On November 6, 2016, the federal government announced the Oceans Protection Plan (OPP). The OPP is a \$1.5 billion national initiative to improve marine safety and protect Canada’s marine environment.
- In May 2017, DFO Minister LeBlanc announced \$108.1 million over five years to establish:
  - Seven new lifeboat stations at Victoria, Hartley Bay, Port Renfrew and Nootka Sound near Gold River;
  - \$75 million for habitat restoration for species such as Pacific salmon;
  - Measures to protect the Southern Resident Killer Whale population;
  - 24/7 emergency response support for existing Canadian Coast Guard stations; and



- Another \$6.85 million over five years will be used to remove derelict boats and educate boaters to prevent vessels from being discarded.

## **2 (a): DFO and BC: Update on Marine Conservation Targets (ALL)**

### **Key Messages:**

- B.C. supports Canada's overall efforts to meet the Marine Conservation Targets (MCT).
- We would also benefit from increased communications around potential fisheries closures in new and/or proposed MPAs and other effective based conservation measures.
- B.C. still needs clarity on how Fisheries and Oceans Canada (DFO) is planning to meet the 2020 targets nationally in a way that is consistent across coasts. We would still like to see regional strategies for the MCT program.
- With progress on a large offshore MPA, there will be far greater than 10 percent of the Pacific coast covered within MPAs. Our estimate is that 37 percent of Pacific Canada's Exclusive Economic Zone would be covered within MPAs if the announced area of interest became an *Oceans Act* MPA.
- B.C. wants to ensure that the Provincial government and stakeholders are sufficiently resourced to participate in federally-led MPA, MCT and other marine planning initiatives, as our involvement is critical to these initiatives' success.

### **Background:**

- Canada has made international and domestic commitments for marine conservation and this is a high priority for DFO. Commitments are to increase marine protection by protecting 5 percent of marine and coastal areas by 2017 and 10 percent by 2020 within marine protected areas (MPAs) or through other effective area-based conservation measures.
  - As of September 27, 2017, Canada had 3.63 percent protected and B.C. has 3.7 percent protected.
- B.C. still requires clarity on how DFO is planning to meet the 2020 target nationally in a way that is

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- Recently, DFO announced a large offshore MPA proposal of the West Coast of Vancouver Island. If this proposal advances to a legal protected area, there will be far greater than 10 percent of the Pacific coast covered.

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## **2 (b): Update on the National Market Access and Development Initiative (AGRI)**

### **Key Messages:**

- B.C.'s overarching priority is to better align federal and provincial funding programs with the economic opportunities for fisheries, aquaculture and the seafood sector, and would like to see coordinated work at the ministerial level, potentially through a new Pacific Fisheries Fund.
- B.C. is interested in access to the new federal Clean Tech fund for aquaculture and fisheries, which could address funding gaps for innovation and competitiveness in the sector.
- New federal and provincial funding for fisheries and aquaculture could help respond to pressures to enhance wild salmon populations as a result of the Cohen Commission, as well as interest in advancing research and development, and innovation on closed containment.

### **Background:**

- The seafood sector has limited access to federal and provincial funding under the current *Growing Forward 2* agreement and this will continue as the agreement is renewed in 2018 as the *Canadian Agricultural Partnership*. The key gaps for the sector are innovation, competitiveness and food safety.
- There is a new Atlantic Fisheries Fund to address these gaps, but no similar program for Pacific fisheries creating an inequity for the Pacific Coast. At the CCFAM Minister meeting in July 2017, Minister Leblanc committed to considering a proposal for a Pacific Fisheries Fund. DFO officials have indicated that a new national Clean Tech Fund for fisheries and aquaculture fund may be announced that could address funding gaps for innovation. BC would like to see dedicated monies to the Pacific Coast under this new fund. This fund is likely to require new provincial funding.

## **3. Fish and Aquaculture Issues**

### **3 (a): Fisheries Act Review (ALL)**

#### **Key Messages:**

- B.C. looks forward to working with DFO and the Provinces and Territories to develop the strategies and policies necessary to implement the recommendations from the Standing Committee on Fisheries and Oceans.
- B.C. is asking for clarification on the process and timing for the introduction of the Fisheries Act Bill.
- B.C. also believes expanding the scope of the *Fisheries Act* review should be subject to the same rigour as the recommended changes to date. This would include consultation with other relevant governments (provinces, territories and Indigenous groups) and engagement with the public and industry stakeholders.

**Background:**

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**3 (b): Salmon Aquaculture (AGRI, FLNR)**

**Key Messages:**

- B.C. is committed to the socially and ecologically responsible management of B.C. fisheries, including an environmentally and economically sustainable aquaculture industry.

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**Background:**

- Recent escapes of Atlantic salmon from the Cooke aquaculture facility in Puget Sound, and the ongoing occupation of two salmon farm sites in the Broughton Islands have created increased public interest in salmon farming in B.C., including requests to evict salmon farms when not supported by local First Nations and/or to end the industry in B.C. entirely.
- The new B.C. government has committed to implementing the Cohen Commission as well as to providing incentives to transition to closed containment systems where appropriate.
- DFO is also close to announcing a new Clean Tech fund for fisheries and aquaculture. If B.C. can provide matching funds of at least 10 percent, this could meet the commitment to incent closed containment aquaculture.
- DFO is working with provinces to develop options for CCFAM in July, 2018 on whether there is a need for a new *Aquaculture Act*.
- DFO also participates in B.C.'s Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA).

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**4. Southern Resident Killer Whales (DFO Lead with ENV)**

**Key Messages:**

- The Province receives all recovery planning documents as advice to government.
- The Province has not been specifically identified as a partner in delivering measures identified in the Resident Killer Whale (RKW) action plan and there has been no commitment made by the Province to complete the measures listed. However, there are opportunities for the Province (Environmental Protection Division, ENV, FLNR and AGRI) to support specific recovery

measures, particularly with respect to ensuring that chemical and biological pollutants do not prevent the recovery of RKW populations and nearshore planning.

- The Province will need to be informed of any proposed fishing closures that may result from the Action Plan.
- The Province will maintain close contact with DFO through the Species at Risk Co-ordinating Committee and will engage as appropriate in any threat reduction activities that are proposed.

**Background:**

- Southern and Northern RKW are a high profile species in public. They are currently listed as endangered, and in March 2017, DFO posted the final version of the Action Plan for the RKW.
- Recovery actions are being funded by the OPP, announced in November 2016.
- There is no clear lead agency on the RKW files. DFO has engaged the Province on an ad hoc basis, through various interagency committees at the staff level, at the Regional Committee on Oceans Management (RCOM), and through individual Deputy Minister meetings.
- Federal Ministers have committed to a symposium on the topic on October 11-12, 2017, in Vancouver. Ministers of Transport Canada, DFO, AGRI, FLNR and ECCC are expected to attend, with about 300 other participants.
- There are potential implications for the Province, specifically around environmental contaminants, nearshore use (planning, industrial development), tourism and recreational fishing and shipping/ports.
- ENV has a keen interest in the RKW file from a Species at Risk (SAR) policy perspective. B.C.'s position is that SAR policies and federal decisions need to better reflect provincial accountabilities.
- Regarding the RKW file generally, it is recommended that B.C. observe and assess how much the Province may want to be engaged. A broader discussion between provincial Deputy Ministers (ENV, FLNR, TRAN, AGRI, TAC, MIRR) will be needed in the near future, as there are varied Provincial interests. The role of ENV will have to be assessed internally in preparation for that conversation.

## APPENDIX 1: Potential Other Topics

### 1. K'omoks & Geoduck (FLNR)

#### Key Messages:

- s.13,s.16
- The Province is pleased to see the Integrated Geoduck Management Framework (IGMF) finalized this spring.  
• s.13,s.16
- K'omoks and the Province are fully engaged in the treaty process. I understand that DFO has recently been actively participating at the treaty table. I am pleased to hear this, as aquaculture is one of the issues prolonging treaty negotiations.
- We hope that flexibility in the implementation of the IGMF can be found through the treaty process, in particular related to the area limitation in red zones and the pre and post-seed harvest requirements.
- The Province is interested in supporting conversations on the implementation of the IGMF with K'omoks where provincial presence is helpful.

#### Background:

- K'omoks First Nation (K'omoks) are active participants in the aquaculture industry operating several shellfish aquaculture tenures and a processing plant. K'omoks are interested in growing their aquaculture business, and are particularly interested in acquiring geoduck aquaculture tenures.
- s.16
- In 2014, K'omoks submitted six applications for geoduck aquaculture under the name Salish Sea Farms. The applications total approximately 600 hectares. The Province put the applications on hold pending the release of the IGMF.
- The IGMF was released by DFO in spring of 2017. The IGMF incorporated some of the Province's suggestions such as increasing the area available to First Nations, which was increased from 5 hectares to 10 hectares in the approved IGMF, s.16
- s.16
- While the Province has consistently communicated to K'omoks its commitment to harmonized authorization processes with the federal government, K'omoks continue to press the Province to issue the six geoduck tenures and view this as one of the key issues to be addressed as part of concluding treaty.
- s.13,s.16

## 2. Derelict Vessels (FLNR)

### Key Messages:

- The Province supports the renewed efforts of Canada in addressing the derelict vessel issue.
- The Province wishes to work with Canada to:
  - Ensure the current proposal review process adequately addresses B.C. priorities and the concerns of local communities, and
  - Ensure that imminent public safety or environmental risks posed by current or future problem vessels are addressed in a timely manner outside the proposal review process.
- The Province understands Canada's current program funding will address only a portion of the derelict vessel issue and that many derelicts are likely to remain unaddressed following program completion.
- The Province wishes to continue work with Canada to develop a sustainable and comprehensive response to the issue of derelict vessels.

### Background:

- BC's coastline and lakes contain an estimated 700 abandoned and derelict vessels.
- Derelict vessels pose risks to public safety and the environment and are of high concern to the Province, to municipalities, and to the general public.
- The derelict vessel issue is often politicized.
- To date, priority derelicts have been addressed on an ad hoc basis by the Province, by municipal governments, non-profit organizations, and individuals, subject to funding availability.
- s.16
- The Province has received comment from potential applicants that the funding application process is complicated and that local communities are concerned with the reimbursement process and the risks it may pose to them. Often local communities have been turning to the Province for support.
- Derelict vessel removal is costly, with 2016 and 2017 experienced costs for derelict removal and disposal ranging from \$2,100 for a 20 foot vessel to \$138,500 for a 120 foot vessel, both having good to excellent access.
- s.13

### 3. Aquatic Invasive Species (ENV)

#### Key messages:

- B.C. considers Aquatic Invasive Species (AIS) a very serious issue and a threat to B.C. waters.
- B.C. has just committed to increase its B.C. Invasive Mussel Defense Program funding to \$4.4 million and encourages the federal government to enhance its efforts and provide dedicated funding to manage high risk invasive species.
- B.C. sees the need for coordinated responses to these threats across provincial borders.
- BC is looking forward to working with DFO to identify priorities for the regional allocation of their Budget 2017 funding targeted AIS.
- A top priority for B.C. and western provinces (AB, SK, MB and YK) is to work with DFO and Health Canada to improve the federal registration process for pesticides able to target AIS (zebra and quagga mussels being a priority). This is a priority in order for the province to be able to respond to the infestations as per the approved Early Detection Rapid Response Plan.
- Invasive Mussel Defense Program update: As of Sept 10, 2017, over 32,600 watercraft have been inspected and 18 were confirmed to have adult invasive mussels. The program received advanced notification from other jurisdictions/agencies about 15 of the 18 mussel fouled watercraft, illustrating the effectiveness of the coordinated perimeter defense approach across borders for invasive mussel prevention.

#### UPDATE from the provincial Invasive Mussel Defence Program

- The 2017 expanded Program operations started in early June and included 24-hr operations at the Golden station, two new inspection stations (Yahk and Midway), and dawn to dusk operations at all stations. The inspection season operations have also been extended to mid-November. The Program has also increased from 32 to 68 inspectors.
- The funding also includes B.C.'s first and only multi-purpose mussel sniffing dog, Kilo. Since late June, Kilo has been touring inspection stations working on mussel detection.
- The Province is provided funding to support the expansion of the ongoing invasive mussel lake monitoring program, allowing sampling in over 100 lakes across the province for the 2017 season. This initiative will also build capacity for local stewardship groups to become involved in early detection, a critical step in preventing invasive mussels from establishing.
- As of September 10, 2017, over 32,600 watercraft have been inspected and the crews have interacted with approximately 68,000 people to promote Clean, Drain, Dry. Of the total watercraft inspected, 1,800 were identified as high risk, and 18 were confirmed to have adult invasive mussels. The program received advanced notification from other jurisdictions/agencies about 15 of the 18 mussel fouled watercraft. This illustrates the effectiveness of the coordinated perimeter defence approach for invasive mussel prevention.
- The Program's current annual funding of \$4.5 million is making B.C. a leader among jurisdictions in preventing mussel infestation in the Pacific Northwest. The Province continues to work with existing and new partners to expand prevention efforts and establish a long-term program.

#### Attachments:

1. Background on OPP – Pacific
2. Letter from DM Blewett to DM Shoemaker re geoduck

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Chief Wayne Sparrow, October 18, 2017**

Ref: 187015

Date: October 18, 2017

**Issue:** Chief Wayne Sparrow of the Musqueam Indian Band (Wayne Sparrow is the Elected Chief) has requested a conference call/meeting with Minister Popham to discuss “BC, DFO, commercial gillnetting, and First Nations gillnetting for sale under Section 35” (of the *Constitution Act*).

**Background:** In 1990, the Supreme Court of Canada decision in *R. v. Sparrow* determined that First Nations had an Aboriginal right to fish for food, social and ceremonial (FSC) purposes. The Supreme Court found that where an Aboriginal group has a right to fish for FSC purposes, it takes priority, after conservation, over other uses of the resource. The Supreme Court also indicated the importance of consulting with Aboriginal groups when their fishing rights might be affected.

Fisheries and Oceans Canada (DFO) is responsible for the conservation, protection and management of marine fisheries in B.C., and regulates commercial fisheries, recreational fisheries and First Nation fisheries. In response to this decision, and to provide stable fishery management, DFO launched the Aboriginal Fisheries Strategy (AFS) in 1992. The AFS is applicable where DFO manages the fishery and where land claims settlements have not already put a fisheries management regime in place. The AFS seeks to provide for the effective management and regulation of fishing by Aboriginal groups through the negotiation of mutually acceptable and time-limited fisheries agreements between DFO and Aboriginal groups. Annual funding of the AFS is \$35 million, with about 125 AFS agreements signed each year since the implementation of the program. Approximately two thirds of these agreements are reached with Aboriginal groups in DFO's Pacific Region.

The B.C. Ministry of Agriculture (AGRI) is the lead for seafood industry development and for strategic aquaculture policy. The B.C. Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNR) is responsible for managing freshwater fish (including steelhead) and issues *Land Act* tenures for the use and occupation of Crown land, including foreshore and submerged land for finfish and shellfish aquaculture.

**First Nations Considerations:** The Musqueam Indian Band claims territory over much of the lower Fraser Valley including Vancouver, North Vancouver, Richmond, Delta, and the waters enclosed and surrounding.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Chief Wayne Sparrow, October 18, 2017**

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**Suggested Response:**

- Fisheries management decisions are the responsibility of DFO and B.C. will continue to work closely and collaboratively with them on fisheries issues.
- B.C. is committed to the socially and ecologically responsible management of B.C. fisheries, including an environmentally and economically sustainable aquaculture industry.
- Ensuring that the wild salmon are protected is of the utmost importance to the Provincial Government. Wild salmon provides sustenance for people and wildlife throughout the province, as well as bringing its own economic benefits.
- The Province is committed to hearing from First Nations leaders on a range of topics including from the Musqueam First Nations leaders.
- The B.C. government is committed to implementing the recommendations of the Cohen Commission and to working with DFO on the implementation of its Wild Salmon Policy.

Contact: David Travia, Corporate Governance, Policy and Legislation, 250 356-7640

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Chief Wayne Sparrow, October 18, 2017**

**Appendix A - Salmon and Steelhead Management**

For 2017, DFO is forecasting commercial opportunities for chum salmon to the Fraser river. Provincially managed steelhead return to these systems at the same time and they are incidentally caught in commercial net fisheries that target salmon. Steelhead are far less abundant than salmon. The by-catch can significantly impact steelhead returns that support up-river sports fisheries. These steelhead are world renowned and support a high value recreational fishery and tourism industry.

DFO has requested that B.C. endorse a greater impact on steelhead in these commercial fisheries to allow the commercial fishing sector to aggressively harvest the abundant salmon runs. DFO is responsible for the management of commercial fisheries and may choose to conduct intensive salmon fisheries to maximize the harvest and associated economic benefits. If DFO increases the by-catch of steelhead, there could be a negative impact on the recreational and tourism sector upstream. This will raise significant public reaction.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Chief Wayne Sparrow, October 18, 2017**

**Appendix B - Fraser River Late-Run Summer Steelhead including Thompson and Chilcotin Steelhead Proposal**

*Steelheads are iconic of the Thompson River. Having long sustained First Nations people, Steelhead are also central to the region's world-class recreational fishery. Unfortunately this salmonid species is in steep decline.*

At the present time Fraser River late-run summer steelhead stocks are at extremely low levels of abundance and in a state of Extreme Conservation Concern.

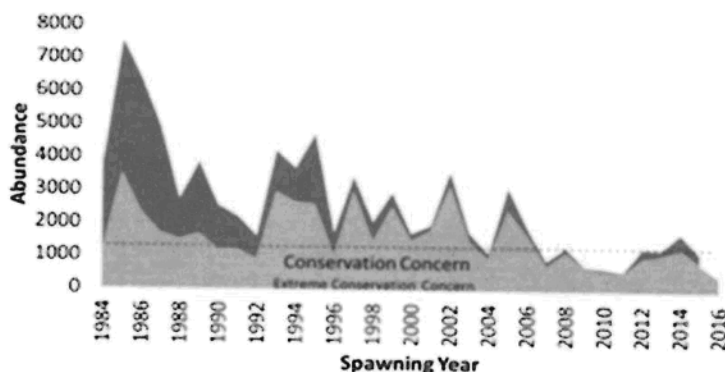
Fraser River late-run summer steelhead is a group of stocks that is mainly comprised of 10 spatially discrete spawning stocks distributed in the Fraser watershed upstream of Hell's Gate.

At the present time, the spawner abundance forecast for the 7 spawning stocks of steelhead that make up Thompson (4 stocks) is 350 and Chilcotin (3 stocks) 140 fish for a total of is 490 spawners.

These forecasts represent record low abundance for Thompson steelhead and near record low abundance for Chilcotin steelhead over monitoring time frames of 40 and 45 years, respectively.

The *previous* record low for Thompson Steelhead is 430 fish and for the Chilcotin 130 fish estimated to have spawned in spring of 2016.

The aggregate run of Thompson, Chilcotin and other Fraser River late-run summer steelhead stocks normally peaks in Johnston Straits and Juan de Fuca Strait in late September and there is very low probability that these estimates will improve.



*Thompson Steelhead pre-fishery abundance is shown in red above; spawner abundance is shown in blue.*  
Thompson Steelhead Status from MFLNRO, Nov 20, 2016

*A new initiative is required for the recovery of these stocks*

Our organizations recommend that the provincial government provide \$7.5 million funding for an interior Fraser steelhead four year action plan that collaboratively with the DFO, First Nations and Stakeholders:

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Chief Wayne Sparrow, October 18, 2017**

1. Has the objective of increasing the abundance of interior Fraser steelhead to the routine management zone while maintaining or increasing the genetic diversity, adaptive potential, and productivity of the steelhead;
2. Includes science-based programs to:
  - (a) accurately determine timing and sources of steelhead mortality in freshwater and saltwater environments in order to reduce such mortality;
  - (b) improve in-season stock monitoring to provide fisheries managers accurate information in order to facilitate reduced by-catch and mortality of steelhead in salmon fisheries through time and area closures and selective fisheries;
  - (c) determine gene flow between and ecological relationships of steelhead and resident rainbow sub-populations;
  - (d) determine the distribution and abundance of (juvenile and adult) steelhead and rainbow trout; and,
  - (e) identify limiting factors and opportunities for increasing steelhead production and survival;
3. Implements a River Guardian Program with First Nations to monitor fisheries from the outlet of Kamloops Lake downstream to the mouth of the Fraser River;
4. Through the continued facilitation of stakeholders by the Fraser Basin Council, develops watershed sustainability plans for steelhead spawning and rearing tributaries to:
  - (a) ensure water quality, water quantity and watershed functionality;
  - (b) establish clear objectives and thresholds for environmental flows; and,
5. Develops parallel, individually tailored plans for all Interior Fraser steelhead stocks.

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Living Oceans Society November 1, 2017**

Ref: 186833

Date: October 23, 2017

**Issue:** Minister Popham has agreed to meet with Living Oceans Society on behalf of Ministry of Environment to discuss closed containment aquaculture.

**Background:** Living Oceans Society requested a meeting with Minister David Heyman at the Ministry of Environment to discuss closed containment aquaculture. Minister Popham agreed to meet with this organization on behalf of her colleague.

Living Oceans Society was formed in 1998, and is headquartered in Sointula, B.C. The Society focuses its work on seven main initiatives, including: ocean planning, tankers, ocean ecosystems, sustainable seafood, ocean acidification, 'clear the coast' (mapping and removal of marine debris), and salmon farming (advocating a switch to closed containment). The organization also provided a copy of a report entitled "Seafood – Special Report, Deep Dive into land-based farming (February 1, 2017)" for review.

**Industry Statistics:** The B.C. salmon farming sector has been operating for more than three decades. Farm-raised salmon is B.C.'s highest valued seafood product (93,000 metric tonnes (MT) worth \$797 million (M) in 2016) and the number one agricultural export. About seventy per cent of the harvest is exported, primarily to the U.S., followed by Japan, China and Hong Kong. Salmon aquaculture is a major employer in rural and remote coastal and First Nations communities. The industry has identified that 5,000 jobs, paying roughly 30 per cent more than the provincial median have been generated. Between 20 and 30 per cent of salmon farm workers in B.C. are First Nations. As of July 2017, there were 126 existing salmon farm tenures and of these 65 were operating with salmon on site.

**Closed Containment Aquaculture:** "Closed-containment" is a term used to describe a range of technology that aims to minimize interaction between aquaculture operations and the environment. The dominant technology being developed by industry is land-based recirculating aquaculture systems. Land-based aquaculture is an alternative that has been under development in B.C. for many years. There are currently no water-based closed containment systems that are feasible for use in the ocean (there are some used in lakes including for steelhead in Lois Lake in B.C.).

There is only one salmon commercial scale facility, Kuterra, operated by the 'Namgis First Nation, located near Port McNeil (operations initiated in 2013). The primary objective of the Kuterra project is to demonstrate economic viability for growing market-size Atlantic salmon in a closed system on land. Kuterra has a production capacity of 300 MT as compared to open-net farming that has a production capacity of around 3000 MT. Kuterra has yet to demonstrate financial profitability. Information reported out from the Kuterra project indicates that several technical challenges remain to be resolved, these include; small size of fish, high maturation rates, off-flavours and cataracts. The company, including all assets, intellectual property and brand is currently for sale. Total capital and start-up operating cost for the Kuterra project was \$12.7 M.

The Province provided a small amount of startup funding (\$157,615) and in-kind staff support at the conception stage of the project before it became Kuterra, which was critical in catalyzing further investment. Most of the funding for Kuterra came from federal (42 per cent), charitable (24 per cent), aboriginal community (0.4 per cent) grants in addition to equity and financing instruments from the 'Namgis First Nation (26 per cent).

Outside of B.C. there is one other closed containment project in Nova Scotia, several projects in Europe and Asia, and interest in developing additional projects in South Africa and the US. All of the projects have

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**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Living Oceans Society November 1, 2017**

required very significant investment capital with little publically available information on economic viability. For the most part, profitability remains unproven and a key constraint.

Key approaches used to address profitability include locating farms as close as possible to key markets to reduce transport costs and through economies of scale. The most notable project to attempt this is the Atlantic Sapphire project in Florida which is projected to cost \$817 M over the next nine years to build the system with a projected production capacity of 90,000 MT once fully operational.

The transition from open-net pens to land-based closed containment systems must consider two factors: 1) addressing the challenges to make land-based salmon farming technically and therefore economically viable; and, 2) the impact on current investment and opportunity cost to the existing open-net pen salmon farming industry.

Currently there are several land-based closed containment farms using recirculating aquaculture systems technology to grow market size fish including steelhead trout, sturgeon, tilapia as well as several salmon hatcheries that supply young salmon (smolts) for growing out in open-net pens. These sites are very small (50-150 tonnes) catering to niche, high value markets and because of this, are economically viable.

Based on the number of currently operating open-net salmon farms, transition to land-based systems would result in an estimated lost capital investment of \$330 M. In comparison, based on an estimated cost of \$15 M/1,000 MT of production, an additional investment of approximately \$1.2 billion would be required for capital to build the infrastructure to move the industry on land, not including land costs. Additional costs that would be incurred by industry include higher operating costs and the ongoing innovation, and research and development costs to address unresolved technical issues. If an attractive return on investment can be demonstrated through innovation research to reduce cost of production, capital costs could potentially be amortized over time and through economies of scale.

Tenure Moratoriums and the "Pause": The Province has established two moratoriums on expansion of the finfish aquaculture industry. The first was established through a provincial Order in Council under the *Environmental and Land Use Act* in 2008, covering all coastal areas north of Klemtu. The second was implemented in 2013 in response to a recommendation of the Cohen Commission that no new salmon farms be approved in the Discovery Islands area until at least September 30, 2020 pending additional research and completion of a disease risk assessment process.

In 2015, the Province announced a "pause" on approvals for any new salmon aquaculture tenures and restrictions on amendments to existing tenures. The "pause" is in place to allow for an examination to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with B.C.'s wild fishery resource. As part of the pause, government committed to:

- Establish the Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA) to provide strategic advice about the future of marine-based salmon aquaculture. The members of MAACFA include representation from the aquaculture industry, academia, non-governmental organizations, First Nations and senior government officials, with a final report with recommendations expected by the end of 2017;
- Examine establishing a protocol relating to use of Aquaculture Stewardship Certification; and,
- Examine feasibility of improved microbe protection out of the Strategic Salmon Health Research Initiative.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Living Oceans Society November 1, 2017**

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Living Oceans Society November 1, 2017**

s.13,s.16

**Suggested Response:** The Province's commitments related to marine based aquaculture are as follows:

- 1) Ensure that the salmon farming industry does not endanger wild salmon by:
  - a. implementing the recommendations of the Cohen Commission;
  - b. keeping farm sites out of important salmon migration routes; and,
  - c. supporting research and transparent monitoring to minimize the risk of disease transfer from captive to wild fish.
- 2) Provide incentives to help the aquaculture industry transition to closed containment where possible.
  - Transitioning the industry to closed containment aquaculture will take significant financial investment and time. Industry may not be receptive to move to closed containment operations where financial viability is still unproven.
  - Government will need to strategically focus investments and provide the best possible chance of developing a viable and sustainable aquaculture industry as well as ensuring economic development opportunities and jobs in rural coastal communities.
  - 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 in B.C., as well as encouraging new projects.

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**with Living Oceans Society November 1, 2017**

- MAACFA has discussed a range of matters related to finfish aquaculture and is anticipated to provide their report with recommendations in the fall or winter of 2017. The B.C. government looks forward to receiving and reviewing the report and any recommendations it includes.

Contact: David Travia, Corporate Governance, Policy and Legislation, 250 356-7640

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Re: 187112

Date: October 31, 2017

**Issue:** Information on Provincial moratoria on finfish aquaculture tenures.

**Background:** The Province of B.C. has implemented two formal moratoria and one policy-based 'pause' on new finfish aquaculture tenures in the Pacific:

**1. North Coast Moratorium.**

On March 27, 2008, the B.C. Government announced a moratorium on finfish aquaculture licenses and tenures north of 52 degrees 50 (Klemtu area). The moratorium was established through a provincial Order in Council under the *Environmental and Land Use Act*. This measure was the result of the Province acting on a specific recommendation from the Special Committee on Sustainable Aquaculture's Final Report. The Committee was appointed by the Legislative Assembly to make recommendations with respect to sustainable aquaculture in BC. They were tasked to consider the following:

- The economic and environmental impacts of the aquaculture industry in BC;
- The economic impact of aquaculture on BC's coast and isolated communities;
- Sustainable options for aquaculture in BC that balance economic goals with environmental imperatives;
- BC's regulatory regime as it compares to other jurisdictions; and,
- Solicit and consider written and oral submissions from interested stakeholders.

On May 16, 2007, the Committee tabled their report which featured 52 recommendations, including the moratorium. When Fisheries and Oceans Canada assumed responsibility for finfish aquaculture licensing as a result of the Hinkson Decision (2010), they opted to continue to honour this provincial moratorium (See Appendix 1 – North Coast Map).

**2. Discovery Islands Moratorium.**

In November, 2009 the Government of Canada established a federal Commission of Inquiry to investigate the decline of Fraser River sockeye stocks and appointed the Honourable Bruce Cohen, Justice of the Supreme Court of British Columbia as sole Commissioner. In October 2012, the Commission released its final report with 75 recommendations. The report found no single cause for Fraser River sockeye declines, although climate change and the cumulative impacts of human activities were found to be significant. (See Appendix 2 - Background, BC Response to Cohen Commission).

The report was not critical of B.C. provincial resource management. However, eight of the recommendations directly or indirectly referenced the Province and one more involved provincial responsibilities related to salmon aquaculture. On March 22, 2013, the B.C. Government announced its response to the Cohen Commission by accepting the intent of the recommendations pursuant to Provincial jurisdiction. In response to a specific recommendation, the Province announced a moratorium on issuing any new net-pen salmon farm tenures in the Discovery Islands area until September 30<sup>th</sup>, 2020, pending further research.

**3. Province-wide "pause".**

In July 2015, BC implemented an additional policy to 'pause' the approval of new marine-based salmon aquaculture tenures coast-wide. This 'pause' puts on hold B.C.'s potential for growth in the aquaculture sector pending a review of the tenures approval process. 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.

The announcement of the 'pause' expanded the existing Discovery Islands moratorium coast-wide while the following three actions are undertaken:

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

- *Government will strike a standing Minister of Agriculture's Advisory Council on Finfish Aquaculture (MAACFA) that will include members from the aquaculture industry, non-governmental organizations and First Nations, as well as the Ministry of Agriculture and the Ministry of Forests, Lands and Natural Resource Operations.*
- *Examine establishing a protocol for receiving advice from the Aquaculture Stewardship Council in regard to tenures for new aquaculture sites.*
- *Examine the feasibility of improved microbe detection at aquaculture sites arising from the work being undertaken by Genome BC in tandem with the other scientific evidence already available to the Province.*

A clarification was later issued that finfish tenure amendments (without production increases) for improvements to safety, operational management or efficiency, or for a more suitable location were permitted under the 'pause'.

**Appendices:**

- **Appendix 1** – North Coast Map
- **Appendix 2** – Background, BC Response to Cohen Commission

Contact: Mike Turner, Corporate Governance, Policy and Legislation, 250 356-1704

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**Appendix 2 – Background, BC Response to Cohen Commission**

**BACKGROUNDER**

For Immediate Release  
2013AGRI0018-000570  
March 22, 2013

Ministry of Agriculture

**Recommendation with indirect reference to British**

**Columbia Recommendation 14**

Beginning immediately and continuing until at least September 30, 2020, Fisheries and Oceans Canada should ensure that; the maximum duration of any licence issued under the Pacific Aquaculture Regulations for a net-pen salmon farm in the Discovery Islands (fish health sub- zone 3-2) does not exceed one year; Fisheries and Oceans Canada does not issue new licences for net-pen salmon farms in the Discovery Islands (fish health sub-zone 3-2); and Fisheries and Oceans Canada does not permit increases in production at any existing net-pen salmon farm in the Discovery Islands (fish health sub-zone 3-2).

**BC Response: Accept intent of the Recommendation.**

The Province of British Columbia has no intention of issuing any further or expanded tenures for net-pen salmon farms in the Discovery Islands until at least September 30, 2020. The Province of British Columbia will continue to consider applications to amend the boundaries of existing net-pen salmon farms for purposes other than for increasing production. The Province will work with Fisheries and Oceans Canada, and with industry and First Nations to implement the intent of this recommendation.

**Recommendations with direct references to British**

**Columbia Recommendation 43**

Fisheries and Oceans Canada should encourage the Province of British Columbia to resolve differences of interpretation on the application of section 9 of the provincial Water Act and the provincial Riparian Areas Regulation to ensure that there are no gaps in coverage.

**BC Response: Accept intent of the Recommendation.**

The Riparian Areas Regulation definition of ‘High Water Mark’ is not always coincident with the definition of ‘Natural Boundary’ in the Water Act and Land Act. Although the Province does not believe that there is a physical gap in coverage of the Water Act and the Riparian Areas Regulation, the Province is examining this concern during a review of the legislation.

**Recommendation 44**

Fisheries and Oceans Canada should encourage the Province of British Columbia to continue to monitor compliance with the provincial Riparian Areas Regulation; to conduct effectiveness monitoring of projects completed in compliance with the Riparian Areas Regulation; and to consider Fisheries and Oceans Canada’s input into the impact of Riparian Areas Regulation setback variances on fish and fish habitat.

**BC Response: Accept intent of the Recommendation.**

The Province is currently conducting compliance monitoring of projects. The inter- governmental

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

cooperation agreement between the Province, the Union of British Columbia Municipalities, and Fisheries and Oceans Canada creates obligations for Fisheries and Oceans Canada in compliance and effectiveness monitoring. The Province expects that Fisheries and Oceans Canada will continue to meet their obligations in support of provincial initiatives. Any recommendations made by Fisheries and Oceans Canada with respect to setbacks need to be consistent with the agreement.

**Recommendation 45**

Fisheries and Oceans Canada should work with the Province of British Columbia to achieve the Riparian Areas Regulation target of 90 per cent compliance with 90 per cent confidence levels.

**BC Response: Accept Recommendation as written.**

The compliance target or benchmark agreed upon by the Province and Fisheries and Oceans Canada is to achieve 90 per cent compliance with 90 per cent confidence. As above, the inter-governmental cooperation agreement signed by Fisheries and Oceans Canada creates obligations for Fisheries and Oceans Canada in compliance and effectiveness monitoring.

**Recommendation 46**

Fisheries and Oceans Canada should encourage the Province of British Columbia to amend the Riparian Areas Regulation: to require provincial approval of setback variances; and to require local governments to enforce compliance with the assessment reports on which development proposals are approved.

**BC Response: Accept intent of the Recommendation.**

Variance approval is an obligation that Fisheries and Oceans Canada has agreed to in the inter-governmental cooperation agreement. The Province has included mechanisms in the various Riparian Areas Regulation implementation tools for Fisheries and Oceans to meet these obligations. Where a variance results in an impact to fish habitat only the Minister of Fisheries and Oceans or a regulation under the Fisheries Act (Canada) can authorize that impact. The Riparian Areas Regulation currently requires local government use their tools to protect riparian fish habitat and to accomplish this local government can enforce their bylaws.

**Recommendation 47**

Fisheries and Oceans Canada should encourage the Province of British Columbia to complete modernization of the Water Act, which would include: regulation of groundwater extraction in a manner that addresses the needs of Fraser River sockeye; increased reporting and monitoring of water use; and allocation of sufficient resources to complete the modernization process.

**BC Response: Accept intent of the Recommendation.**

The Province is developing a new Water Sustainability Act that will update and replace the current Water Act. Introduction of the new Act is planned for 2014.

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**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

The inclusion of groundwater regulation and requirements for monitoring and reporting of water are already important commitments in British Columbia's Living Water Smart plan and are key policies of the proposed new Water Sustainability Act. An analysis of implementation options and delivery costs associated with the proposed legislation is currently underway.

**Recommendation 52**

Fisheries and Oceans Canada should identify an individual with regional responsibility to act as a liaison with the Canadian Coast Guard, Environment Canada, and the Province of British Columbia on marine habitat spill response.

**BC Response:** Accept Recommendation as written. The Province agrees this would improve decision making in spill response.

**Recommendation 54**

Fisheries and Oceans Canada should encourage the Province of British Columbia to require users of pesticides in forestry and agriculture to record, and report annually to the Province, the areas where pesticides were applied and the amounts used; and to develop and maintain a pesticide-use database that includes information on location, volume/concentration, and timing of use, and make that information publicly available.

**BC Response:** Accept intent of the Recommendation.

Health Canada sets use requirements for all pesticides on the labels for protection of people and the environment. Proper use of pesticides is the best method to prevent impacts to the environment. The Province requires authorizations for pesticide use on public land, specific industrial uses (including forestry), pesticide application services, and the sale of pesticide. The Province also administers the certification system for individual pesticide applicators. Authorization holders are required to report annually on the total amount of each pesticide used or sold. The locations of the pesticides used must be recorded and maintained for three years. Any pesticide service business that applies pesticides for agriculture operations must be licensed and would be required to report total pesticides used.

**Recommendation 55**

Fisheries and Oceans Canada and Environment Canada should co-operatively ensure that environmental quality monitoring and environmental effects monitoring related to pulp and paper, metal mining, and municipal wastewater discharges include consideration of Fraser River sockeye salmon, and the two federal departments should work with the Province of British Columbia and with regional and municipal governments to that end; work with British Columbia municipalities on a public education campaign.

**BC Response:** Accept intent of the Recommendation.

The Province and the Federal Government will need to work co-operatively to avoid regulatory and administrative duplication and to secure resourcing for monitoring. The Province supports public reporting and education with respect to source control, environmental effects monitoring, toxics and other areas. The Province supports a joint effort in source control to limit the discharge of emerging contaminants to the wastewater systems.

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**Ministry of Agriculture**  
**DECISION NOTE FOR MINISTER FOR INFORMATION**

CLIFF 187123

Date: October 26, 2017

**Issue:** BC has committed to a process to address concerns of First Nations regarding salmon farm tenures in the Broughton Archipelago.

**Background:**

First Nations have indicated their intention to remain protesting salmon farm sites in the Broughton Archipelago until the Province of BC cancels the associated tenures. These tenures come up for renewal in June 2018. First Nations leaders have officially requested the Province initiate a government-to-government discussion to address this issue. This discourse has led to the need for a targeted approach to managing salmon farm tenures in the Broughton Area. This process has been developed and requires Ministers' decisions on how best to proceed.

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**Ministry of Agriculture**  
**DECISION NOTE FOR MINISTER FOR INFORMATION**

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**DECISION NOTE FOR MINISTER FOR INFORMATION**

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**Ministry of Agriculture**  
**DECISION NOTE FOR MINISTER FOR INFORMATION**

**Appendix 4: Communications Strategy**

[To come from GCPE]

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Watershed Watch Salmon Society on November 20, 2017**

Ref: 186514

Date: October 11, 2017

**Issue:** Potential impacts to salmon habitat from the dyking infrastructure in the lower Fraser Valley

**Background:**

- The Watershed Watch Salmon Society (Society) advocates for British Columbia's wild salmon by promoting solutions and working with all levels of government, including First Nations, to address threats and issues to salmon and their habitat.
- In June 2017, the Society developed a map of the lower Fraser Valley floodplain that identified 155 flood control structures (floodgates) that may potentially impact salmon habitat.
- Floodgates control the timing and volume of water passing through the tributaries and side channels to the Fraser River and are utilized as a flood mitigation tool on agricultural lands.
- The Society would like improvements to the existing dyking system along with provincial policies and municipal bylaws, so that floodgates can be opened more often.
- If floodgates are opened more often to allow for increased water flow (and thus improved fish biodiversity, oxygen levels and salmon habitat), there is greater demand put on the dyking system infrastructure to allow for the increased volume of water moving through the system.
- Increased water flow often negatively impacts agricultural production by reducing the ability of local drainage systems to effectively reduce excess soil moisture.
- The dyking systems in the lower Fraser Valley are owned and maintained by municipalities.

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**ADVICE TO MINISTER**



**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Watershed Watch Salmon Society on November 20, 2017**

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Contact: Mark Raymond, Manager, Resource Management Unit, 604-556-3107

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**ADVICE TO MINISTER**

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with the Canadian Fishing Company, October 30, 2017**

Ref: 186854

Date: October 16, 2017

**Issue:** Meeting with Canadian Fishing Company representatives regarding fisheries and First Nations.

**Background:** Canadian Fishing Company (Canfisco) is a fully-integrated fishery products company based in Vancouver, with eight offices and facilities across B.C. and Alaska. Canfisco and its American affiliates, harvest, process, and market wild seafood, from Pacific waters (including salmon, herring, blackcod, hake, and halibut). In 1984, Canfisco became part of the Jim Pattison Group, the third largest privately held company in Canada. Canfisco is one of the largest seafood companies in B.C.

Canfisco requires stable access to sustainable wild fisheries stocks to maintain their operations. Canfisco has adapted to changes in fish stock abundance, availability and access in traditional B.C. fisheries by diversifying their products, increasing partnerships and by establishing operations and sourcing some wild stocks in Alaska. On November 12, 2015, Canfisco restructured operations at its Oceanside plant in Prince Rupert and ceased producing canned salmon there citing reduced local salmon returns, reduced demand for canned salmon and higher operating costs compared to their Alaskan operations. They have since focused efforts on higher valued fresh salmon products.

**First Nations Considerations:** First Nations have traditionally been significant participants in B.C. commercial fisheries, primarily in the fishing fleet and as employees in the processing sector. One third of fish harvesting jobs are in First Nation communities. Some First Nations have also established or acquired processing companies with mixed success.

Currently, the Pacific Integrated Commercial Fishing Initiative administered by Fisheries and Oceans Canada helps First Nations expand their participation in commercial fisheries in B.C. As of 2014, the Pacific Integrated Commercial Fishing Initiative dispensed over 300 commercial fishing licences/quota and has offered over 2,000 training courses to First Nations individuals (the fishing licences/quota were acquired through purchases from the existing commercial fishing fleet) at an approximate cost of \$136 million. In addition, with the recent re-engagement of Fisheries and Oceans Canada and B.C. at six priority treaty tables, First Nations will have increased access and allocation of fish stocks as those treaties are finalized

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**Suggested Response:**

- As a major B.C. seafood company, we appreciate your sharing this information with us and are encouraged by your efforts to engage with First Nations to ensure mutual success in this evolving sector.
- We would appreciate future opportunities to discuss information and your perspectives on the B.C. seafood industry.

Contact: Barron Carswell, Corporate Governance, Policy and Legislation, 250 356-1678

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 187113

Date: October 24, 2017

**Issue:** Cohen Commission and implementation of platform commitments with respect to salmon farming.

**Background:** The 2017 BC NDP Platform contains two commitments with respect to wild salmon and aquaculture:

- 1) Ensure that the salmon farming industry does not endanger wild salmon by implementing the recommendations of the Cohen Commission, keeping farm sites out of important salmon migration routes, and supporting research and transparent monitoring to minimize the risk of disease transfer from captive to wild fish; and
- 2) Provide incentives to help the aquaculture industry transition to closed containment where possible.

The mandate of the Cohen Commission was to:

- Consider the policies and practices of Fisheries and Oceans Canada (DFO) with respect to the (Fraser River) sockeye salmon fishery
- Investigate and make independent findings of fact regarding to:
  - the causes for the decline of Fraser River sockeye;
  - the current state of Fraser River sockeye stocks and the long term projections for those stocks; and
  - develop recommendations for improving for improving the future sustainability of the sockeye salmon fishery.

Justice Cohen made 75 recommendations in the final report, released October 2012, under the broad themes of Wild Salmon Policy (WSP), Fisheries Management, Habitat, Aquaculture, and Science. While the mandate was specific to Fraser River sockeye, many of the recommendations have broader applicability to all salmon in BC.

On March 22, 2013, the BC Government announced its response to the Cohen Commission and acceptance of the recommendations pursuant to Provincial jurisdiction (see Appendix A). Out of the 75 recommendations, one recommendation had an indirect reference to B.C., with eight others that referenced B.C. In response to recommendation 14, that was directed at both DFO and the Province, the Province announced a moratorium on issuing any new net-pen salmon farm tenures in the Discovery Islands area until September 30<sup>th</sup>, 2020. In addition to this moratorium, the Province announced a 'pause' on further approvals for new marine salmon aquaculture tenures. A clarification was later issued that finfish tenure amendments (without production increases) for improvements to safety, operational management or efficiency, or for a more suitable location were permitted under the 'pause'.

Nine of the Commission recommendations related to salmon aquaculture. DFO responded formally on August 9, 2016 (see Appendix B). 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.

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Contact: Barron Carswell, Corporate Governance, Policy and Legislation, 250 356-1678

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**Ministry of Agriculture**  
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BRIEFING NOTE FOR MINISTER FOR INFORMATION**

**Appendix A – BC Response to Cohen Commission Backgrounder**

**BACKGROUNDER**

For Immediate Release  
2013AGRI0018-000570  
March 22, 2013

Ministry of Agriculture

**Recommendation with indirect reference to British Columbia**

**Recommendation 14**

Beginning immediately and continuing until at least September 30, 2020, Fisheries and Oceans Canada should ensure that; the maximum duration of any licence issued under the Pacific Aquaculture Regulations for a net-pen salmon farm in the Discovery Islands (fish health sub-zone 3-2) does not exceed one year; Fisheries and Oceans Canada does not issue new licences for net-pen salmon farms in the Discovery Islands (fish health sub-zone 3-2); and Fisheries and Oceans Canada does not permit increases in production at any existing net-pen salmon farm in the Discovery Islands (fish health sub-zone 3-2).

**BC Response:** Accept intent of the Recommendation.

The Province of British Columbia has no intention of issuing any further or expanded tenures for net-pen salmon farms in the Discovery Islands until at least September 30, 2020. The Province of British Columbia will continue to consider applications to amend the boundaries of existing net-pen salmon farms for purposes other than for increasing production. The Province will work with Fisheries and Oceans Canada, and with industry and First Nations to implement the intent of this recommendation.

**Recommendations with direct references to British Columbia**

**Recommendation 43**

Fisheries and Oceans Canada should encourage the Province of British Columbia to resolve differences of interpretation on the application of section 9 of the provincial Water Act and the provincial Riparian Areas Regulation to ensure that there are no gaps in coverage.

**BC Response:** Accept intent of the Recommendation.

The Riparian Areas Regulation definition of 'High Water Mark' is not always coincident with the definition of 'Natural Boundary' in the Water Act and Land Act. Although the Province does not believe that there is a physical gap in coverage of the Water Act and the Riparian Areas Regulation, the Province is examining this concern during a review of the legislation.

**Recommendation 44**

Fisheries and Oceans Canada should encourage the Province of British Columbia to continue to monitor compliance with the provincial Riparian Areas Regulation; to conduct effectiveness monitoring of projects completed in compliance with the Riparian Areas Regulation; and to consider Fisheries and Oceans Canada's input into the impact of Riparian Areas Regulation setback variances on fish and fish habitat.

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**BC Response: Accept intent of the Recommendation.**

The Province is currently conducting compliance monitoring of projects. The inter- governmental cooperation agreement between the Province, the Union of British Columbia Municipalities, and Fisheries and Oceans Canada creates obligations for Fisheries and Oceans Canada in compliance and effectiveness monitoring. The Province expects that Fisheries and Oceans Canada will continue to meet their obligations in support of provincial initiatives. Any recommendations made by Fisheries and Oceans Canada with respect to setbacks need to be consistent with the agreement.

**Recommendation 45**

Fisheries and Oceans Canada should work with the Province of British Columbia to achieve the Riparian Areas Regulation target of 90 per cent compliance with 90 per cent confidence levels.

**BC Response: Accept Recommendation as written.**

The compliance target or benchmark agreed upon by the Province and Fisheries and Oceans Canada is to achieve 90 per cent compliance with 90 per cent confidence. As above, the inter- governmental cooperation agreement signed by Fisheries and Oceans Canada creates obligations for Fisheries and Oceans Canada in compliance and effectiveness monitoring.

**Recommendation 46**

Fisheries and Oceans Canada should encourage the Province of British Columbia to amend the Riparian Areas Regulation: to require provincial approval of setback variances; and to require local governments to enforce compliance with the assessment reports on which development proposals are approved.

**BC Response: Accept intent of the Recommendation.**

Variance approval is an obligation that Fisheries and Oceans Canada has agreed to in the inter- governmental cooperation agreement. The Province has included mechanisms in the various Riparian Areas Regulation implementation tools for Fisheries and Oceans to meet these obligations. Where a variance results in an impact to fish habitat only the Minister of Fisheries and Oceans or a regulation under the Fisheries Act (Canada) can authorize that impact. The Riparian Areas Regulation currently requires local government use their tools to protect riparian fish habitat and to accomplish this local government can enforce their bylaws.

**Recommendation 47**

Fisheries and Oceans Canada should encourage the Province of British Columbia to complete modernization of the Water Act, which would include: regulation of groundwater extraction in a manner that addresses the needs of Fraser River sockeye; increased reporting and monitoring of water use; and allocation of sufficient resources to complete the modernization process.

**BC Response: Accept intent of the Recommendation.**

The Province is developing a new Water Sustainability Act that will update and replace the current Water Act. Introduction of the new Act is planned for 2014.

The inclusion of groundwater regulation and requirements for monitoring and reporting of water are already important commitments in British Columbia's Living Water Smart plan and are key policies of the proposed new Water Sustainability Act. An analysis of implementation options and delivery costs



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associated with the proposed legislation is currently underway.

**Recommendation 52**

Fisheries and Oceans Canada should identify an individual with regional responsibility to act as a liaison with the Canadian Coast Guard, Environment Canada, and the Province of British Columbia on marine habitat spill response.

**BC Response:** Accept Recommendation as written. The Province agrees this would improve decision making in spill response.

**Recommendation 54**

Fisheries and Oceans Canada should encourage the Province of British Columbia to require users of pesticides in forestry and agriculture to record, and report annually to the Province, the areas where pesticides were applied and the amounts used; and to develop and maintain a pesticide-use database that includes information on location, volume/concentration, and timing of use, and make that information publicly available.

**BC Response:** Accept intent of the Recommendation.

Health Canada sets use requirements for all pesticides on the labels for protection of people and the environment. Proper use of pesticides is the best method to prevent impacts to the environment. The Province requires authorizations for pesticide use on public land, specific industrial uses (including forestry), pesticide application services, and the sale of pesticide. The Province also administers the certification system for individual pesticide applicators.

Authorization holders are required to report annually on the total amount of each pesticide used or sold. The locations of the pesticides used must be recorded and maintained for three years. Any pesticide service business that applies pesticides for agriculture operations must be licensed and would be required to report total pesticides used.

**Recommendation 55**

Fisheries and Oceans Canada and Environment Canada should co-operatively ensure that environmental quality monitoring and environmental effects monitoring related to pulp and paper, metal mining, and municipal wastewater discharges include consideration of Fraser River sockeye salmon, and the two federal departments should work with the Province of British Columbia and with regional and municipal governments to that end; work with British Columbia municipalities on a public education campaign.

**BC Response:** Accept intent of the Recommendation.

The Province and the Federal Government will need to work co-operatively to avoid regulatory and administrative duplication and to secure resourcing for monitoring. The Province supports public reporting and education with respect to source control, environmental effects monitoring, toxics and other areas. The Province supports a joint effort in source control to limit the discharge of emerging contaminants to the wastewater systems.

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Contact: Dave Townsend  
Government Communications and Public Engagement  
Ministry of Agriculture  
250 356-7098  
250 889-5945 (cell)

Connect with the Province of B.C. at: [www.gov.bc.ca/connect](http://www.gov.bc.ca/connect)

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BRIEFING NOTE FOR MINISTER FOR INFORMATION**

**Appendix B. DFO Response to Commission recommendation related to Salmon Aquaculture**

Nine of the Commission recommendations relate to salmon aquaculture and DFO's specific responses are listed below.

**Recommendation 13 - The Department of Fisheries and Oceans should give non-government scientific researchers timely access to primary fish health data collected through DFO's routine monitoring programs, including data that relate to farmed or wild salmon.**

**DFO response:** This recommendation has been implemented. DFO routinely posts updated marine finfish aquaculture fish health data to its website. The salmon escapement and productivity data sets were made available on the Open Data portal in 2015:  
(<http://open.canada.ca/data/en/dataset/c48669a3-045b-400d-b730-48aaf8c5ee6>).

Requests for further information regarding wild fish data can be considered subject to the provisions and exemptions outlined in the Access to Information and Privacy Act.

**Recommendation 14 - Beginning immediately and continuing until at least September 30, 2020, the Department of Fisheries and Oceans should ensure that:**

- the maximum duration of any licence issued under the Pacific Aquaculture Regulations for a net-pen salmon farm in the Discovery Islands (fish health sub-zone 3-2) does not exceed one year;
- DFO does not issue new licenses for net-pen salmon farms in the Discovery Islands (fish health sub-zone 3-2); and
- DFO does not permit increases in production at any existing net-pen salmon farm in the Discovery Islands (fish health sub-zone 3-2).

**DFO response:** This recommendation has been implemented. DFO has limited salmon farming operations in the Discovery Island area until September 30, 2020, and multi-year licences will not be available for this area. During this time, additional scientific research will be conducted and a disease risk assessment process will be completed. In the interim, licence holders are required to submit fish health data to DFO, which is then posted on the DFO website.

**Recommendation 15 - The Department of Fisheries and Oceans should explicitly consider proximity to migrating Fraser River sockeye when siting salmon farms.**

**DFO response:** This recommendation has been implemented. Siting of aquaculture operations is a shared and harmonized process in BC, requiring provincial crown tenure, a federal navigable waters permit, and a federal aquaculture licence. Aquaculture applications are submitted through a single-portal, where the Government of BC reviews siting related to granting leases for provincial crown lands, Transport Canada reviews siting related to navigable waters, and DFO considers siting relating to potential impacts to the aquatic environment from an aquaculture licence. More specifically, 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-

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farmed interactions, which specifically includes consideration of the proximity to wild salmon migration routes.

**Recommendation 16 —** After seeking comment from First Nations and stakeholders, and after responding to challenge by scientific peer review, the Department of Fisheries and Oceans should, by March 31, 2013, and every five years thereafter, revise salmon farm siting criteria to reflect new scientific information about salmon farms situated on or near Fraser River sockeye salmon migration routes as well as the cumulative effects of these farms on these sockeye.

**DFO response:** This recommendation has been implemented. Siting of aquaculture operations in BC is a shared and harmonized approach between the federal and provincial governments. DFO completed a review of Siting Guidelines for Marine Finfish Aquaculture in BC in 2014/15, which also included consultation with First Nations and stakeholders. Revised Guidelines have been developed based on this review process and have been presented in draft form to industry, First Nations and environmental non-governmental organizations. The final Guidelines have now been approved. This review was informed by the latest science advice, which included consideration of potential impacts of aquaculture facilities on wild salmon. The review also included a commitment to examine and revise the Siting Guidelines every five years or less to incorporate new science and information as it becomes available.

**Recommendation 17 –** The Department of Fisheries and Oceans should apply revised siting criteria to all licensed salmon farm sites. Farms that no longer comply with siting criteria should be promptly removed or relocated to sites that comply with current siting criteria.

**DFO response:** Existing farms are managed through conditions of licence. These conditions of licence, among other things, require companies to manage relevant issues outlined in the Siting Guidelines. In circumstances where a farm does not adequately meet the conditions of licence, work is undertaken to examine mitigation options, which may include relocation. As such, this recommendation is considered to have been implemented, albeit in an alternative way.

**Recommendation 18 -** If at any time between now and September 30, 2020, the Minister of Fisheries and Oceans determines that net-pen salmon farms in the Discovery Islands (fish health sub-zone 3-2) pose more than a minimal risk of serious harm to the health of migrating Fraser River sockeye salmon, he or she should promptly order that those salmon farms cease operations.

**DFO response:** This recommendation has been implemented. Scientific research is being conducted and a disease risk assessment process is underway and will be completed by 2020. If scientific research indicates that net-pen salmon farms in the Discovery Islands pose more than a minimal risk of serious harm to the health of migrating Fraser River sockeye salmon, salmon farms in the Discovery Islands will be required to cease operations.

The results of the risk assessment may indicate that further research is required to support Ministerial decisions. Additional funding may be required depending on what further research is needed.

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**Recommendation 19** - On September 30, 2020, the Minister of Fisheries and Oceans should prohibit net-pen salmon farming in the Discovery Islands (fish health sub-zone 3-2) unless he or she is satisfied that such farms pose at most a minimal risk of serious harm to the health of migrating Fraser River sockeye salmon. The Minister's decision should summarize the information relied on and include detailed reasons. The decision should be published on the Department of Fisheries and Oceans' website.

**DFO response:** This recommendation has not been implemented as the timeline on this recommendation is September 2020; however, scientific research is being conducted to address the question raised. See also response to Recommendation 18.

**Recommendation 20** – To inform the decision under Recommendation 19, the Minister and the Department of Fisheries and Oceans should take the following steps:

- **conduct the research and analyses recommended in Recommendation 68 and publish the results of this research;**
- **assess any relationships between salmon farming variables compiled in the fish health database and Fraser River sockeye health or productivity.**

**DFO response:** This recommendation has been implemented and new science funding has been provided to augment work in this area. DFO has ongoing research programs that are examining interactions of wild salmon (primarily sockeye, coho and chinook) with salmon farms in the Discovery Island Area. Migration routes, residency time, and the condition and health of juvenile salmon are being assessed. This work is being done in collaboration with external groups such as the Pacific Salmon Foundation and British Columbia Salmon Farmers Association. **DFO will continue to develop a more formal assessment of disease risks, particularly novel and endemic diseases working with the Canadian Food Inspection Agency and domestic and international experts.**

Results from this work have been presented at public and scientific meetings, and data reports from the first two years have been published. Formal peer-reviewed publications are planned. Samples from research programs have also been provided to the Strategic Salmon Health Initiative.

Results from these programs will continue to inform management of industry, as well as provide critical information to support Fisheries and Oceans Canada formal fish disease risk assessment.

**Recommendation 67** – The fish health research priorities of the Department of Fisheries and Oceans should reflect its responsibility for the conservation of wild fish. To that end, DFO's science managers should encourage innovation and new research into novel diseases and other conditions affecting wild fish, beyond the interests of specific "clients" such as the Canadian Food Inspection Agency or aquaculture management.

**DFO response:**

While some work has been done that aligns with this recommendation, it is viewed as not implemented because additional resources would be required to continue and expand this work.

The fish health research priorities of DFO reflect DFO's responsibility for conservation of wild fish. DFO's current fish health research priorities for BC focus on the study of pathogens and parasites present on salmon farms and their effects on wild salmonids, especially sockeye salmon.

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DFO also supports the Strategic Salmon Health Initiative (Fisheries and Oceans Canada, Pacific Salmon Foundation, and Genome BC funded) which is conducting large scale assessments of microbes carried by farmed and wild salmon (sockeye, chinook and coho) and examining their potential for impacting the health and condition of salmon.

DFO actively encourages the use of new research tools to diagnose and study disease and other conditions affecting wild fish. For example, the Strategic Salmon Health Initiative (SSHI) has developed and validated a microfluidics-based microbe monitoring platform that allows for very cost effective and rapid screening of samples for 45 microbes. DFO has and continues to fund or co-fund research programs that use other types of advanced genomic techniques to examine host-pathogen/parasite interactions, salmon condition and performance and microbe genetic diversity. These programs are conducted in collaboration with national and international experts from universities and other research organizations.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING WITH THE BC**  
**GREENHOUSE GROWERS' ASSOCIATION – OCTOBER 2, 2017**

Ref: 186641

Date: September 25, 2017

**Issue:** Industry Discussion Regarding the Carbon Tax Relief Grant, Access to Irrigation Water and Labour

**Background:**

- The BC Greenhouse Growers' Association (BCGGA) represents greenhouse vegetable operations in BC.
- In 2016, the sector had 325 hectares of production area and annual sales of \$300 million.
- BCGGA received Buy Local funding for BC Greenhouse Veggie Days (2017/18 - \$17,867.50; 2016/17 - \$16,362.50).
- The top three issues the Association plans to discuss with the Minister are: the Carbon Tax Relief Grant program, irrigation infrastructure program and labour.

s.13,s.17

Contact: Dave Woodske, Industry Specialist, 604-556-3044

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Ministry of Agriculture  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
with Consulate General of Mexico in Vancouver, September 26, 2017

Ref: 186770

Date: September 13, 2017

**Issue:** Meeting request by the Consulate General of Mexico on Temporary Foreign Worker Housing and the Minister on the Seasonal Agricultural Worker Program.

**Background:** The meeting has been arranged for the Minister to meet the Mexican Consulate General on September 26, 2017, to discuss housing conditions for Temporary Foreign Workers (TFW) in B.C. The TFW Program is a federal immigration program that enables Canadian employers to hire foreign nationals to fill skills and labour shortages on a temporary basis. The Seasonal Agricultural Worker Program (SAWP) is one component of the TFW Program. SAWP involves temporary foreign workers from Mexico and participating Caribbean countries only. For further information on the TFW program see Appendix A.

One of the responsibilities of employers of SAWP workers is to provide safe and adequate housing for workers according to federal and provincial standards. The federal government has specific housing requirements that must be provided and met in order for agriculture employers to receive TFWs.

s.16

*Provincial Roles:*

Provincial standards for housing for industrial camps which include agriculture employers, is the responsibility of the Ministry of Health (HLTH). The Industrial Camps Regulation under the *Public Health Act* is the responsibility of HLTH, delegated to regional health authorities (RHAs) to provide regulatory oversight along with specific requirements for employers that provide on-farm housing. Health Protection Services in RHAs investigate agriculture industrial camps on a complaint basis approach. RHAs do not receive notice of the initiation of an agriculture work camp.

The Ministry of Labour (LBR) has responsibility for other occupational health and safety issues that are often identified during housing inspections such as bullying or workers, pay discrepancies and other employment standards issues.

AGRI plays a facilitating role between the various ministries, industry and the Consulate. In 2009, a Minister's Bylaw Standard for temporary farm-worker housing was established to assist local governments in formulating bylaws to accommodate farmer needs for housing workers on-farm without compromising long term agricultural land use. It is not intended to address the issue of housing standards and inspections.

Agriculture employers are responsible for meeting requirements for work camp accommodations, under the Industrial Camp Regulations, as well as meeting employment standards under the *Employment Standards Act*. The BC Agriculture Council (BCAC) organizes pre-inspections of TFW housing, using updated industry-developed housing guidelines that exceed federal program requirements in many areas. Authorized inspectors

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**with Consulate General of Mexico in Vancouver, September 26, 2017**

inspect accommodations as part of the TFW program requirement and help ensure TFWs receive adequate housing conditions. All BCAC housing inspectors are licensed with Consumer Protection BC.

The Premier's mandate letter to LBR, the Honourable Harry Bains, has directed the minister to create a TFW registry which can help protect vulnerable workers from exploitation and to track the use of temporary workers in the economy.

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**Suggested Response:**

- 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.
- Provincial laws are intended to fully cover TFWs who have the same rights and protections as other workers in B.C. and the province is committed to working with the federal government to ensure the rights and protections of all residents, including TFWs.
- The expectation of the Province is that all industries, including agriculture, at minimum meet the provincial health and safety standards including adequate housing for the workers they employ. Many agricultural employers are providing the appropriate standards for housing for TFWs in B.C.
- My staff has been providing a coordinating role with the ministries of Health, Labour, and with industry.
- Through their meetings, there have been key actions and commitments to work together that I believe will fundamentally and positively change the housing standards and conditions for TFW in B.C.
- This includes looking at the current regulatory framework on the housing conditions in B.C. to resolve any inconsistencies and identify improvements to create the foundational framework.

Contact: Thom Dennett, Corporate Governance, Policy and Legislation, 250 356 1671

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**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Consulate General of Mexico in Vancouver, September 26, 2017**

**Appendix A: Temporary Farm Worker Program (TFWP) Information**

**Housing requirements for the Seasonal Agricultural Worker Program (SAWP):**

- Employers under the SAWP are required to provide housing that meets with the approval of a private housing inspector licensed by the province; housing is generally on-farm to reduce costs.
- Under the SAWP, the federal government only requires employers to pay for an inspection of the housing at the beginning of each season.
- The amount an employer may charge SAWP workers for accommodation is negotiated between Canada and the sending country and is included in the SAWP contract.
- Employers of low-skilled TFWs are required by the federal government to either provide affordable housing or show that affordable housing is available in the area where the worker is expected to work. Employment and Social Development Canada equates affordable rent as approximately one third of worker wages.

**General Information:**

- The federal government is wholly responsible for the TFWP.
- Overall immigration is a shared jurisdiction and federal law is paramount. The federal government is exclusively responsible for selections with some unique exceptions.
- The agricultural sector incorporates occupations that reflect a variety of skill levels.
- In an effort to balance the temporary employment needs of employers with the protection of workers, the TFWP has a variety of streams that cover lower- or higher-skilled/wage occupations.
- Employers can hire temporary foreign agricultural workers under four (4) distinct streams and must meet the specific requirements of the particular stream used (see Table 1).
- Hiring higher- or lower-skill depends on the position to be filled and the wages paid. National Occupational Classification (NOC 2006) codes categorize positions into: NOC 0, A, B, C and D.
- The skill level of the job determines the NOC "code" which in turn determines if the job is classed higher- or lower-skilled.
- The higher-skilled positions (0, A, B) are typically managerial positions, technical or supervisory positions, often for which a post-secondary education or job-specific training is required.
- The Stream for High-wage Positions allows employers to hire temporary foreign workers for full-time positions (minimum of 30 hours of work/week) where the wage being offered is at or above the provincial/territorial median hourly wage where the job is located.
- Lower-skilled positions are often entry-level jobs that pay lower wages and are captured under NOCs (C and D).
- The Stream for Low-wage Positions allows employers to hire TFWs for full-time positions (minimum of 30 hours of work/week) where the wage being offered is below the provincial/territorial median hourly wage where the job is located.
- Under the Agricultural Stream, TFWs hired in higher-skilled positions such as: management, professional and technical occupations are eligible for permanent residency as long as they meet all of the immigration requirements set by Immigration, Refugees and Citizenship Canada or the Provincial Nominee Program.

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**with Consulate General of Mexico in Vancouver, September 26, 2017**

**Table 1: Information on the Four Temporary Worker Program Streams**

	<b>Seasonal Agricultural Worker Program</b>	<b>Agriculture Stream</b>	<b>Stream for Lower Skilled Occupations</b>	<b>Stream for Higher Skilled Occupations</b>
<b>Workers</b>	Both lower and higher skilled workers in production section listed in the "National Commodity List".	Both lower and higher skilled occupations ONLY used by primary agriculture production listed in the "National Commodity List".	Workers in the primary agriculture sectors NOT listed in the "National Commodity List". e.g.: employers in crop production would use lower-skilled General Farm Worker (NOC 8431-C) stream.	Any higher skilled agricultural worker with specific higher training or related education.
<b>Country of Origin</b>	Mexico & Caribbean only	Any country	Any country	Any country
<b>Duration</b>	Max of 8 months between Jan. 1 and Dec. 15 must be able to offer the workers a minimum of 240 hrs. of work within a period of 6 wks. or less.	Maximum of 24 months.	Maximum 48 months.	Maximum 48 months.
<b>Housing</b>	Free suitable housing (except in B.C. where a portion of these costs can be recovered through payroll deductions) either on-farm or off-site.	Suitable and affordable housing (except in B.C. where a portion of the costs can be recovered through payroll deductions) either on-farm or off-site. May deduct up to \$30 /week from TFWs wage.	Ensure that suitable and affordable accommodation is available to the TFW, or provide the worker with suitable and affordable accommodation, if necessary.	No housing requirement.
<b>Inspection requirement</b>	Employers must provide proof that on-farm or off-site housing has been inspected by the appropriate provincial/municipal body or by an authorized private inspector with appropriate certifications from the relevant level of government.	Employers must provide proof that on-farm or off-site housing has been inspected by the appropriate provincial/ municipal body or by an authorized private inspector with appropriate certifications from the relevant level of government.	N/A	N/A

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**  
**FOR MEETING with s.22**                      **on October 4, 2017**

Ref: 186820

Date: September 28, 2017

**Issue:** Minister Meeting with s.22

**Background:**

- s.22 is unhappy with the Production Insurance (PI) program and the service she has received from Production Insurance staff.
- s.22 Insurance policy holder. s.22 who is the operator of the farm and the Production
- s.22 and s.22 have appealed a claim settlement in 2017. They had received a claim payment of \$35,478 for the loss of forage plants seeded in 2016. The arbitrator has awarded them an additional \$6750.
- The appeal centered on the Business Risk Management Branch (BRMB) deeming a claim was not justified on some fields due to a severe infestation of quackgrass (a weed) which must be controlled before tame forages can be successfully produced. The arbitrator upheld the denial of a claim on an 87 acre field.
- Infestations of quackgrass will cause plantings of tame forage to fail however it is palatable to cattle and, for PI purposes, is counted as production.
- Claims are still pending on the plant coverage for the 2017 plantings and on the overall crop production on the farm. The claim on 2017 plantings will be paid once the existing plants are destroyed through tillage or herbicide. The crop production claim is awaiting a declaration by s.22 on the total production in 2017. The outstanding claims are expected to total over \$100,000.
- Production Insurance (also referred to as AgriInsurance or Crop Insurance) is a core Business Risk Management program enabled by the Growing Forward 2 Agreement. PI provides coverage for weather related perils for the major agricultural crops produced in British Columbia. The crops coverage is available for are: Grains and Oilseeds, Tree Fruits, Berries, Grapes, Vegetables, Forage and Flower Bulbs.
- PI is cost shared with Canada and must comply with national regulations. The program must be actuarially sound meaning that over time, premiums charged must equal claims paid.
- PI provides over \$500 million of insurance protection to approximately 2,000 British Columbia farmers annually.
- Appeals and arbitrations are rare averaging approximately five per year. There were 26 arbitrations held between 2012 and 2016. The arbitrator ruled in favour of BRMB in 21 of those.
- BRMB works closely with industry organizations through Advisory Committees to ensure program design and delivery meets industry needs and that the program complies with national regulation.

**First Nations Considerations:** None

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**Discussion:**

- There have been numerous instances, with the s.22 policy, of misunderstandings, incomplete, conflicting and inaccurate reporting of land use and production going back over a decade.
- There have been several instances of farm management below normal industry standards.
- s.22 seems to feel persecuted by BRMB staff and often attacks the competence and personal integrity of BRMB personnel.
- BRMB staff have made errors however there is no ill will toward s.22 only a desire to ensure their insurance policy is handled fairly for them and for all the other farmers who share their risk within the insurance program.

**Suggested Response:**

- Business Risk Management is in the process of hiring a supervisor of operations for the north central area of the province. We will work, through that position, to ensure clear and timely communication with yourself and others occurs.
- The appeals / arbitration process is an independent equitable method to resolve disputes that allows both parties opportunity to present their case. BRMB and PI abide by the decisions rendered in good faith.

Contact: Tim Pigg, A/Director, Production Insurance & AWP, 250 861-7505

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Time line leading up to s.22

Appeal:

Date	Events
Friday, May 26	s.22 notified the office of the loss.
Wednesday, May 30	Inspection had begun of 11 fields requested to be put to other use; remaining balance of fields also inspected.
Thursday, June 1	<p><u>All field inspections completed</u> and reports prepared by the Loss Adjustment Inspector.</p> <ul style="list-style-type: none"> <li>Due to poor seed bed concerns that would prove controversial the adjuster did not release to crops to be put to other use.</li> <li>Unfortunately the Adjuster errored and used surface mail to forward the only copies of the inspection report; this delayed the review of reports until June.</li> </ul>
Sunday, June 4 (afternoon)	Denise sends email to Phil Croteau ( <b>Claim Manager</b> ), Chad Fofonoff ( <b>Program Representative</b> ), and Byron Jonson ( <b>A/Executive Director</b> )
June 5 at 9:24 am	<p>Phil responds to her by email that:</p> <ul style="list-style-type: none"> <li><u>All fields with quantity loss claims could be put to other use. 6 of the 11 fields claimed on were released.</u> TIME from notification to written release <u>10 days</u> (includes weekend days)</li> <li>Requested to have the day to review the remaining plant establishment failure claims. 5 of 11 fields</li> </ul>
June 5 (evening):	Byron phoned s.22 to reassure her that a final field by field decision would be provided.
June 6 at 11 am	Inspection reports arrive and sent to Claims Manager for review.
June 6 at 2:24pm	Byron forwards all inspection reports and a table summarizing the approvals for claimed fields; includes both those released on Monday am and releases all but two fields of 5 claimed for establishment failure.
June 6 (afternoon):	<p>Byron talks to s.22 and reviews all claimed fields.</p> <ul style="list-style-type: none"> <li>Byron commits, as per the table, to releasing 9 of 11 fields to be put to other use and to not counting the yield from all 11 fields claim on if they were destroyed and not grazed or harvested. TIME from notification to written release <u>11 days</u> (includes weekend days)</li> <li>Byron explains that two fields were not being accepted for insurable establishment failure, as the inspection reports indicated failure was due to seed bed preparation.</li> <li>In order to resolve the disputed decision on the two fields Byron offered that Tyler Morhart (<b>Manager, Agriculture Wildlife Program</b>) arrange to re-inspect the Fields with s.22 the policy holder. s.22 agreed to the offer.</li> <li>Byron engages s.22 to call s.22 Tyler calls Byron to confirm that called s.22 and offered to come out that day June 6. Byron requests that Tyler summarize his understand of his call with s.22 and email it to her.</li> </ul>
June 6 at 9:59 pm	Tyler confirms by email to s.22 the details of the claim history events and the information discussed on their phone call earlier that evening.

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	<ul style="list-style-type: none"> <li>In the email he confirms the purpose of the agreed to field meeting is to re-inspect the two disputed fields with them; the meeting was arranged for the next evening.</li> <li>The agreed to meeting date was then delayed by the s.22 until 6pm Thursday, June 8.</li> </ul>
<b>June 8 at 6 pm</b>	<p>Tyler meets with s.22 and re- inspects the fields with them.</p> <ul style="list-style-type: none"> <li>During the inspection he verbally informs them that he was approving the establishment claim on one field but not the other due to seed bed conditions.</li> </ul>
<b>June 9 at 3:08 pm</b>	<p>Phil provides a full written summary, reiterating the previously released fields and Tyler's decisions from the previous evening.</p> <ul style="list-style-type: none"> <li>Phil confirms that the one remaining field would not be accepted as an insurable loss and was the final decision.</li> <li>He communicated the appeal process that was available and that it would not prevent them for being paid on the four fields accepted for establishment failure once they put them to other use.</li> </ul> <p>TIME from notification to full written release <u>14 days</u> (includes weekend days).</p>
<b>June 23</b>	<p>s.22 confirms that all but one released field has been sprayed.</p> <ul style="list-style-type: none"> <li>Phil approves the \$35,478.00 payment of the establishment loss claim solely on the basis of spraying activity and not full conformation of destruction, and one field not being sprayed at all. There is a concern that it may be a harvested.</li> <li>Phil also communicates that he has verified with Victoria that they are processing the cheque rec today and the cheque is to be mailed on Wednesday.</li> </ul>
<b>August 22</b>	Appeal heard by BCICAC registered Arbitrator in Vanderhoof.
<b>September 4</b>	<p>Arbitrator's determination is to allow the appeal (in favour of the Insured).</p> <ul style="list-style-type: none"> <li>The arbitrator found that an additional 58 acres should be indemnified bringing the total indemnity acres to 531 out of the 618 under coverage.</li> <li>All costs associated with the arbitration were borne by the Ministry.</li> </ul>
<b>September 26</b>	Revised indemnity is processed.
<b>September 28</b>	<p>Two open 2017 claims remain to be finalized:</p> <ul style="list-style-type: none"> <li>Yield Loss claim and a Plant loss claim.</li> <li>Currently awaiting confirmation of harvested yield and crop destruction respectively.</li> <li>Combined claim estimate will be in excess of \$100,000.</li> </ul>

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR MEETING**

**Ref:** 186710

**Date:** September 19, 2017

**Issue:** September 21, 2017 Meeting with BC Honey Producers Association (BCHPA) to discuss Extending Farm Classification to Properties upon which Beehives are located

**Background:**

- Beekeepers are eligible to have their land classified as farm land when they submit annual sales receipts of hive products that are equal or exceed a prescribed dollar value set out in the *Classification of Land as a Farm Regulation* under the *Assessment Act*.
- Commercial beekeepers mostly own a small property as the home base. Typically, the home base would include the honey house for honey extraction, workshop and storage shed.
- The home base property is generally not sufficient for the placement of colonies. Beekeepers rely on the availability of apiary sites that are owned by others.
- Colonies are placed in locations for different purposes. For wintering, a large number of colonies may be placed on a small rural property that is often existing farmland for which the beekeeper pays a nominal fee per colony. If it involves the pollination of a fruit-bearing crop, the beekeeper charges a pollination fee.
- In semi-rural areas, beekeepers often have difficulty to find apiary sites that are road-accessible, wind-protected, well-drained and secure against vandalism and theft.
- In semi-rural areas of the Fraser Valley, Southern Vancouver Island and the Okanagan, many property owners face high annual property taxes as their property is either subject to development or not used for farming purposes.
- Some beekeepers have encouraged such landowners to have colonies placed on their property and then apply for farm classification with BC Assessment. The application is based on the claim that the bees will access wild floral sources on the property and are therefore engaged in the production of an agricultural good.
- The acquisition of farm classification would potentially offer the landowner the benefit of low property taxation when the land is classified as farm land. Additionally, other programmes such as access to property purchase tax exemptions (including marked fuel) and farm vehicle licencing may be available to an owner of land classified as farm land, even though the intention of those programmes is to benefit farmers.

s.13

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Contact: Paul van Westendorp, Apiculture Specialist, 604-556-3129 / 604-943-3600

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Bob D'Eith, MLA, Maple Ridge-Mission, October 17, 2017**

Ref: 186703

Date: September 22, 2017

**Issue:** Bob D'Eith, MLA Maple Ridge-Mission wishes to discuss several issues:

1. Will the review of the ALR boundaries involve adding or removing land from the ALR;
2. ALR parcels overlap waterways, do the ALCA and regulations apply to water covered lands;
3. We need to work with BC Hydro to build a fish ladder at Alouette Lake; and,
4. The District of Mission is seeking 200 acres of ALR Land for industrial use.

**First Nations Considerations:** Fish ladder work may involve local First Nations, for example Katzie First Nation. Consider discussions with Ministry of Indigenous Relations and Reconciliation as you proceed.

**Discussion:**

**Boundary Reviews:**

1. Generally when the ALC conducts boundary reviews the result is land being excluded from the ALR. A recent amendment to the ALCA requires land owner consent before land can be excluded prior to any changes to the boundary. If a landowner declines exclusion, the ALC is not able to act on the boundary review process. As part of the work to revitalize the ALR and the ALC, this requirement has been identified as requiring a review as the consent process takes away the decision making from those most able to determine if the land in the ALR is most suitable for agriculture, and if not, should be removed.

**Water covered lands in the ALR:**

2. Owners of land that is designated ALR must comply with all Acts and regulations that apply to the landowners parcel, including any laws that relate to the use of water that is found on ALR.

**Fish Ladders:**

3. Building fish ladders is a great action to ensure that the wild salmon population continues to thrive. Developing a fish ladder would have the federal Department of Fisheries and Oceans (DFO) as the lead, with support from the provincial ministries of Forests, Lands, Natural Resource Operations & Rural Development and Environment & Climate Change. BC Hydro would also have a significant role and interest in this type of work. If they have not made contact with anyone to initiate the work, DFO Salmonid Enhancement Program would be the first place to start. DFO also has some funding for salmon habitat protection and restoration work, as do other funding groups.

**Industrial Land Use Application by the District of Mission:**

4. The ALC previously granted the District of Mission an exclusion of ALR land for the purposes of industrial development, which now appears to be for a big box retail development. The District of Mission is currently in the middle of a process to update the Official Community Plan (OCP). The most recent draft of the OCP mentions the importance of protecting agriculture, but also identifies that the larger parcels of ALR lands south of Lougheed Highway are the most suitable for employment lands (usually meaning industrial use). The OCP also notes farming on these lands has been minimal in recent years and as a result, have identified these lands as a "Special Study Area" with the intent of removing these lands from the ALR for commercial and industrial development.

Larger ALR parcels are rare in the region, and are more likely to be farmed than smaller parcels. The perception that these lands are minimally used may be due to their use for forage and/or pasture which are vitally important for supporting the livestock sectors within the region. Pressure has recently been increasing on these lands due to development and conversion to other crops such as blueberries, meaning that protecting these lands is becoming even more important. The ALC has been delegated to make decisions on applications to exclude land from the ALR, including from local governments.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Bob D'Eith, MLA, Maple Ridge-Mission, October 17, 2017**

**Suggested Response:**

- Part of my mandate letter commitment is to revitalize the ALR and the ALC. Part of this work will be to look at what is working, what is not, and what needs to be improved. I am committed to ensure that the preservation of agriculture land is number one priority in BC and the ALC continues to be the independent administrative tribunal making decisions so that agriculture is the priority use on the ALR.
- I was interested to hear your concerns as boundary reviews has been raised as an area of concern specifically related to private landowner consent and how it impacts decisions on agriculture land in the ALR.
- We expect all landowners in the ALR to comply with all legislation for the parcels of land they own including those that may negatively impact waterways.
- Building a fish ladder is important as it supports the protection of the wild salmon population. DFO would be your first point of contact if you have not started to look into the steps. They do have some funding for salmon habitat protection and restoration work, as do other funding groups. A good first point of contact at DFO is Rob Bell-Irving, Community Advisor, 604-666-8266.
- As you are aware, the ALC is an independent decision-maker. It is inappropriate for me to discuss potential applications that Mission may put forward. I met with the District of Mission during UBCM to discuss their plans on initiating a "Special Study Area" on the ALR.
- I believe that agricultural lands are employment lands, and agriculture can be an economic and job driver jobs in communities as well as promoting local food security.

Contact: Anna North, Corporate Governance, Policy and Legislation, 250-356-5814

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**Ministry of Agriculture  
BRIEFING NOTE FOR MINISTER FOR DECISION**

Ref: 186882

Date: September 27, 2017

**Issue:** Providing parity regarding the requirements to operate as a designated farm use on the Agricultural Land Reserve (ALR) for breweries, distilleries, and meaderies as is allowed for wineries and cideries.

**Background:** In 2014, the Ministry undertook extensive consultation with industry stakeholders on proposed amendments to the Agricultural Land Reserve and Subdivision Regulation (Regulation). One of the issues that arose was in respect to the question of whether breweries, distilleries and meaderies should be allowed to operate on the ALR with the same or similar requirements as wineries and cideries. Mixed responses were received where stakeholders in each region generally supported the extension of equal treatment as wineries and cideries, however, further stakeholder consultation was recommended prior to any further amendments proceeding.

In June 2015, the Regulation was amended to allow breweries, distilleries and meaderies to operate on the ALR as a designated farm use if at least 50 percent of the primary “farm product” used to make all of the beer, spirits or mead is grown on the farm where the brewery, distillery, or meadery is located. The sector was not allowed to contract another farmer to grow part of the product if the farm is 2 hectares or larger as is allowed with wineries and cideries.

The policy intent of this provision was to require the brewery, distillery or meadery to produce 50 percent of the “primary” farm products (i.e. grain, or honey) used to make all of the beer, spirits or mead further supporting the preservation of the land for farm production on the ALR. The policy did not go so far as to allow minor farm products to make up the 50 percent (i.e. hops used as a flavor additive contributing a small percentage of the final product), as it was identified as potentially supporting the proliferation of processing facilities on the ALR.

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**BRIEFING NOTE FOR MINISTER FOR DECISION**


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BRIEFING NOTE FOR MINISTER FOR DECISION

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Honourable Lana Popham, Minister

October 5, 2017  
Date Signed

Contact: Jacqueline Cushing, Corporate Governance, Legislation and Policy Branch, 250-356-7219

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR DECISION**

**Appendix 1 - Breweries, distilleries and meaderies**

**Agricultural Land Reserve, Use, Subdivision and Procedure Regulation**

- (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.
- (2.2) Despite the repeal of subsection (2) (b) and the enactment of subsection (2.1), a winery or cidery and ancillary uses continue to be designated as farm uses for the purposes of the Act if
- (a) the winery or cidery
    - (i) was licensed to produce wine or cider under the Liquor Control and Licensing Act, R.S.B.C. 1996, c. 267, on the date subsection (2) (b) was repealed, or
    - (ii) is the subject of a letter of eligibility to produce wine or cider, given in respect of a licensing application made under the Liquor Control and Licensing Act, R.S.B.C. 1996, c. 267, and received within one year before the date subsection (2) (b) was repealed, and
  - (b) the production of wine or cider by the winery or cidery would be designated as a farm use if subsection (2) (b), as it read immediately before its repeal, continued to apply.
- (2.3) A brewery, distillery or meadery, and ancillary uses, are designated as farm uses for the purposes of the Act if at least 50% of the farm product used to make the beer, spirits or mead produced each year is grown on the farm on which that brewery, distillery or meadery is located.
- (2.4) In subsections (2.1) to (2.3):
- "ancillary use"** means the following activities carried out at a brewery, cidery, distillery, meadery or winery:
- (a) processing, storing and retail sales of beer, cider, spirits, mead or wine produced by the brewery, cidery, distillery, meadery or winery;
  - (b) the operation of a food and beverage service lounge, if the area of the lounge does not exceed 125 m<sup>2</sup> indoors and 125 m<sup>2</sup> outdoors;
  - (c) selling an alcoholic beverage other than one produced by the brewery, cidery, distillery, meadery or winery if the alcoholic beverage
    - (i) is sold as a single serving in a lounge referred to in paragraph (b) or in a service area under a special event area endorsement endorsed on the licence issued under the Liquor Control and Licensing Act for the brewery, cidery, distillery, meadery or winery, and
    - (ii) is intended to be consumed immediately;
  - (d) Repealed. [B.C. Reg. 210/2016, s. 2 (b).]
  - (e) cooking classes if the classes are held in a food premises within the meaning of the Food Premises Regulation that has been constructed, and is being operated, in compliance with that regulation;

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR DECISION**

(f) gathering for an event, if the event is held only in the lounge referred to in paragraph (b) or the special event area under a special event area endorsement referred to in paragraph (c), and, for this purpose, section 3 (4) (k) does not apply;

"brewery", "cidery", "distillery", "meadery" and "winery" mean a brewery, cidery, distillery, meadery or winery, as applicable, that is licensed under the Liquor Control and Licensing Act to produce beer, cider, spirits, mead or wine.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING WITH THE**  
**WESTERN DAIRY COUNCIL – OCTOBER 23, 2017**

Ref: 186596

Date: September 29, 2017

**Issue:** Discussion of Issues and Opportunities Facing BC Dairy Processors and the Western Dairy Council

**Background:**

- Western Dairy Council incorporated on June 5, 2017 under the Canada Not For Profit Corporations Act.
- The Dairy Councils of British Columbia, Alberta, Saskatchewan and Manitoba joined to form the Western Dairy Council with its own Board of Directors and held its first Board meeting July 17.
- The Western Dairy Council represents approximately 20 member companies across western Canada, processing more than 96% of the raw milk in the four western provinces, generating almost \$3 billion in annual dairy sales and marketing virtually all of the country's best-known dairy products and brands.

**Discussion:**

- Unprecedented market growth has occurred for processed dairy products despite fluid milk sales being flat in recent years across Canada. This trend is predicted to continue for the foreseeable future.
- Dairy processors have made significant investments in capital (buildings and equipment); however, processing capacity remains limited and unable to keep pace with market growth.
- Industry vulnerability exists due to a lag in processing capacity and product development. This will result in losses in market share to non-dairy product competitors.
- There remains a need to be more innovative in the development of new dairy products and packaging.
- The Western Dairy Council represents a single organization that focuses on regional issues and opportunities. Many member companies do business in multiple provinces, some are also affiliated at the national and international levels.
- The Western Milk Pool, much like the Western Dairy Council, provides a unified voice and mechanism for milk pricing and market growth adjustments for dairy farmers across the four western provinces.
- Milk production and milk processing in western Canada are now represented by two organization bodies, namely the Western Milk Pool and the Western Dairy Council respectively.
- Communication gaps exist regarding the flow of information between the federal and provincial governments and the Western Dairy Council.
- They provide valuable technical support to federal negotiators during current NAFTA negotiations.

**Suggested Response:**

- Emphasize BC government's continued support for supply management.
- Thank Western Dairy Council for introducing themselves to AGRI so early in their organizational tenure and identifying where communication between the provincial and federal governments can be improved.
- Encourage Council to work with industry specialists, James Street (Food Processing) and Tom Droppo (Dairy), to investigate opportunities for capital and innovative technology investment to increase dairy processing in BC.

Contact: Tom Droppo, Dairy Industry Specialist, 604-556-3144

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**Ministry of Agriculture  
BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 186789

Date: October 4, 2017

**Issue:** Welfare of farm animals with a specific reference to mink.

**Background:**

Ms. Lesley Fox of the Fur-Bearers Organization wrote a letter to Minister Popham requesting a meeting to discuss salvaging a bill to address the conditions that mink are held under on fur farms.

As with all farm animals, mink come under the protection of the *Prevention of Cruelty to Animals Act* (PCAA). The PCAA is the Province's primary animal protection legislation. Under the PCAA, all persons responsible for an animal, including those persons responsible for farm animals, have a duty to care for the animal and protect the animal from circumstances that cause or permit the animal to be in distress. An animal is in distress if it is:

- a) deprived of adequate food, water, shelter, ventilation, light, space, exercise, care or veterinary treatment; kept in conditions that are unsanitary; not protected from excessive heat or cold;
- b) injured, sick, in pain or suffering, or
- c) abused or neglected.

This duty is written in law under the PCAA. A person who commits an offence under the PCAA is liable on conviction to a fine of up to \$75,000 or to imprisonment for a term up to two years, or to both. The PCAA is among the strongest of provincial animal protection laws in Canada and can be found at: [http://www.bclaws.ca/civix/document/id/complete/statreg/96372\\_01](http://www.bclaws.ca/civix/document/id/complete/statreg/96372_01).

The British Columbia Society for the Prevention of Cruelty to Animals (BCSPCA) is the agency responsible for investigations of animal cruelty under the PCAA. The BCSPCA can also recommend charges under the federal Criminal Code of Canada. If a person suspects an animal may be in distress, they can contact the BCSPCA through the toll free Animal Cruelty Reporting Hotline at 1-855-622-7722.

Mink are further regulated under the Fur Farm Regulation. This regulation was re-written in 2015 when it was brought under the *Health of Animal Act*. At that time the revised Code of Practice for the care and handling of farmed mink had been released by the National Farm Animal Care Committee. To align with the new code new sections were introduced into the regulation requiring a detailed health management plan meets the requirements of the code. Code requirements are also reflected in the areas of food and water, pens, nest boxes, training of personnel, record keeping, euthanasia, unconsumed food, and cage enhancements. This is reflected in the on farm inspection form (appendix 1). The year that the regulations requirements were mandatory every mink farm was sent a letter making them aware that we would be inspecting to the Code of Practice (appendix 2) and was inspected and re-inspected until it met the criteria for licensing. Several farms did not meet the requirements of the regulation and ceased business.

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**Conclusion:**

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.

The Ministry of Agriculture licenses 14 mink farms in the province and two chinchilla farms. These farms are required to meet the Code of Practice for the care and handling of farmed mink based on the Fur Farm Regulation and the Inspection protocol. The Ministry is committed to upholding a high standard of care for animals raised for fur in this province and will continue to identify ways to ensure industry practices provide the care and attention to all animals in B.C. that they deserve.

Contact: Dr. Jane Pritchard (604) 556-3013

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## **Appendix 1**

Mink farm inspection check list:



### **Site Location:**

#### **Date:**

\_\_\_ Farm meets all applicable federal, provincial and municipal land use regulations

\_\_\_ Site has sufficient supply of good quality drinking water to meet the needs of the mink and the on-site needs for cleaning and other farm activities.

### **Housing**

\_\_\_ Sheds provide protection from extreme weather conditions.

\_\_\_ Sheds are designed to allow adequate space, light and access for stock people to observe and care for the animals.

### **Pens**

\_\_\_ All pens with multiple mink must be enriched with a hammock/shelf/platform **(by June 2014)**

*If a jump up/penthouse or drop in nest box is used, a shelf is not required as an enrichment.*

*All pens must include a minimum of one manipulative enrichment by December 31, 2013*

### **Nest Boxes**

\_\_\_ Nest boxes are designed to hold adequate bedding and allow for good nesting behavior in a comfortable, safe and secluded place.

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\_\_\_\_ Nest boxes are appropriate size to accommodate all animals in the pen comfortably at the same time.

\_\_\_\_ If feeding on nest box lid, kits are able to easily access the feed.

### **Bedding**

\_\_\_\_ Bedding is clean and dry.

### **Environment**

\_\_\_\_ Mink are exposed to minimum number of continuous hours of daylight.

\_\_\_\_ Sheds and buildings are consistent and adequate to allow airflow.

### **Feed**

\_\_\_\_ Waste feed is removed before providing fresh feed.

\_\_\_\_ Feed carts used to deliver wet feed are cleaned and sanitized regularly.

\_\_\_\_ Feed preparation area is cleaned and sanitized daily.

### **Record Keeping**

\_\_\_\_ Herd Health Management Plan in place, including:

- Vet-Client-Patient relationship
- Mink Identification System
- Vaccination and treatment records
- Tracking mortalities

\_\_\_\_ Current license and inventory maintained for any provincial/federal/municipal requirements.

## **Appendix 2**

Letter to mink farmers:

March 4, 2015

TO: Fur Farmers of BC

RE: Requirements for 2016 Licensing

Thank you to those who were able to attend the BC Mink Producers meeting last month. Your participation and input were greatly appreciated. I have enclosed copies of Dr. Britton's and my presentation, as well as a summary of the legislative changes to the Fur Farm Regulations.

As discussed at the meeting, prior to relicensing for the 2016 year, the following requirements must be met:

- **Health Management Plan** submitted to my office for pre-approval. This plan must include your veterinarian's name, vaccination schedule, treatment, records, isolation and euthanasia methods.
- **An inspection** of every farm will be made to ensure pen size, hammock, shelf, nest box, enrichment, etc are aligned with the standards set out by the Canadian National Code of Practice. Considerations will be made as long as progress is clearly being made. Inspections will be done as each farm makes a request to our office.

Please feel free to contact me if you have any questions.

Regards,

Dr. Jane Pritchard,  
Chief Veterinary Officer

Encl.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 186965

Date: October 11, 2017

**Issue:** Online petition to BC Minister of Agriculture, Lana Popham “**Ban Glyphosate in British Columbia**”

**Background:**

- [A petition on change.org](#) advocating for a ban on the herbicide glyphosate is targeted to Minister Popham.
- Glyphosate is a common target of environmental activists. It is the most widely used pesticide in Canada and the world. It is sold under many trade names (e.g. RoundUp) for agricultural, industrial and domestic (home garden) weed management.
- Glyphosate is an important and cost effective weed management tool in crop production in field crops, orchards, vineyards and berry crops. It is used for broad spectrum weed control, including perennial, invasive and noxious weeds.
- Pre-harvest application of glyphosate is used in some field crops to advance maturity and/or to uniformly desiccate crops, and to control late season weeds that can interfere with harvesting operations and reduce crop quality.
- Glyphosate remains an important tool for advancing conservation tillage, such as no-tillage and reduced tillage systems that reduce soil erosion and increase soil organic matter.
- It is used to control invasive plants to foster biodiversity by allowing native plant communities including those containing endangered or rare species, to be preserved or re-established.
- Health Canada’s Pest Management Regulatory Agency (PMRA) is the authority in Canada that regulates the registration of pesticides. Pesticides must go through rigorous science-based assessment before being approved for sale in Canada. In addition, all pesticides must be re-evaluated on a cyclical basis to make sure they continue to meet modern health and environment safety standards.
- On April 28, 2017 Health Canada published its comprehensive re-evaluation decision on glyphosate. The re-evaluation included an assessment of the potential human health risk of glyphosate from drinking water, food, occupational and bystander exposure, as well as the environmental risk to non-target organisms.

**Discussion:**

- The overall findings from PMRA’s re-examination of glyphosate:
  - Glyphosate is not genotoxic and is unlikely to pose a human cancer risk.
  - Dietary exposure is not expected to pose a risk of concern to human health.
  - Occupational and residential risks associated with the use of glyphosate are not of concern, provided that updated label instructions are followed.
  - When used according to revised label directions, glyphosate products are not expected to pose risks of concern to the environment.
  - All registered glyphosate uses have value for weed control in agriculture and non-agricultural land management.
- The PMRA routinely works collaboratively with other member countries within the Organization for Economic Co-operation and Development (OECD) on the regulation of pesticides.
- As of 8 March 2017, no decision by an OECD member country to prohibit all uses of glyphosate for health or environmental reasons has been identified.
- In March, 2015, the World Health Organization's (WHO) International Agency for Research on Cancer (IARC) published a summary of results of their hazard classification of glyphosate. IARC classified glyphosate as probably carcinogenic to humans. It is important to note that the IARC

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**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

classification is a hazard classification and not a health risk assessment. This means that the level of human exposure, which determines the actual risk, was not taken into account by IARC.

- In November, 2015, the European Food Safety Authority (EFSA) finalized their re-assessment of glyphosate, concluding that glyphosate is unlikely to pose a carcinogenic hazard to humans.
- In May 2016, the Joint FAO/WHO Meeting on Pesticide Residues (JMPR) concluded that glyphosate is unlikely to be genotoxic at anticipated dietary exposures and that it is unlikely to pose a carcinogenic risk to humans from exposure through the diet.
- In March, 2017, the European Chemical Agency (ECHA) and the Australian Pesticides and Veterinary Medicines Authority (APVMA) released their determination that glyphosate is not a carcinogen.
- Glyphosate has a very low mammalian toxicity, and is thus very safe for applicators to handle. If accidentally consumed, it is excreted mostly unchanged in feces and urine and does not stay in the body.
- Glyphosate is not likely to get into the groundwater because it binds tightly to soil and is then broken down by bacteria in the soil.
- In 2013 a now discredited paper was published that correlated glyphosate with all sorts of diseases including autism. Just because two things are happening at the same time does not mean that one of them caused the other. The rise in autism also correlates with the rise in organic food sales; this is correlation not causation.

**Suggested Response:**

- Currently, no pesticide regulatory authority, including Health Canada, considers glyphosate to be a carcinogenic risk of concern to humans.
- The recent re-evaluation of glyphosate by Health Canada and other international regulating agencies have stated that glyphosate is unlikely to pose any human health risk and approves all uses as described on the label.
- Glyphosate is a valuable herbicide that is used in many agriculture cropping systems and has helped reduce soil erosion with the advancement of no-till cropping systems.
- The Ministry of Environment has the provincial mandate to regulate pesticide application under the authority of the *Integrated Pest Management Act*.
- AGRI has every confidence in the federal and provincial pesticide regulatory agencies and work with them to ensure legislation that results in safe and effective pesticide use;
- AGRI encourages the agricultural community to manage pesticides in an environmentally sustainable and socially responsible way through production guides, outreach programs, and web-based material.

Contact: Ken Sapsford, Pesticide Specialist  
kenneth.sapsford@gov.bc.ca

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**WITH COLUMBIA BASIN TRUST ON OCTOBER 23, 2017**

Ref: 186492

Date: October 2, 2017

**Issue:** Meeting with Bree Seabrook, Special Initiatives Manager, Columbia Basin Trust to discuss opportunities and potential challenges in the B.C. agriculture and agrifoods sector, particularly in the Columbia Basin region.

**Background:**

The role of the Columbia Basin Trust (Trust) is to support Columbia Basin residents by providing resources, creating partnerships and leading economic and sustainability initiatives. The Province established the Trust in 1995 and provided \$276M as investment capital for regional hydroelectric projects, \$45M to invest in other types of projects, and \$2M per year (1995 to 2010) for operations. Since then, the Trust has used its return-on-investment (ROI) dollars to provide benefits to Columbia Basin residents by offering a range of services, programs, initiatives and financial investments.

The Trust's mandate states: "The Trust is mandated under the *Columbia Basin Act* to manage our assets for the ongoing economic, environmental and social benefit of the region, without relieving governments of any obligations in the region. We are also mandated under the *Columbia Basin Management Plan* to include the people of the Basin in planning for the management of the assets and to work with others to coordinate activities related to the purpose of the Trust."

The *Columbia Basin Management Plan Strategic Priorities 2016-2020* identifies agriculture as a strategic priority for the Trust over the next five years. The Trust recognizes that a "Food System" is complex, with many components and participants, and that the foundation is the production of food. To develop goals and objectives for the Trust within this priority area, existing regional plans and reports were reviewed and engagement occurred with over 50 agriculture sector entities present within the Columbia Basin in order to identify key challenges, needs and opportunities.

The following objectives and goals will guide the Trust's agriculture related activities:

- Improving access to technical and business development extension support;
- Enhancing access to existing capital and financial tools;
- Supporting efforts to attract and retain a reliable workforce;
- Advancing efforts to maintain/develop key agricultural infrastructure;
- Strengthening access to markets for Basin products; and
- Helping to identify valuable agriculture land in the Basin and increasing access to and production of these lands.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**WITH COLUMBIA BASIN TRUST ON OCTOBER 23, 2017**

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Contact: Mica Munro, Program Analyst, Innovation and Adaptation Branch, Phone: 250-387-4078

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**ADVICE TO MINISTER**

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**WITH RESTAURANTS CANADA – October 23, 2017**

Ref: 186709

Date: October 11, 2017

**Issue:** Restaurants Canada has requested a meeting with the Minister (date TBD) to discuss agricultural policies.

**Background:**

Restaurants Canada, formerly known as the Canadian Restaurant and Foodservices Association, was founded in 1944. This Association celebrated their 70th anniversary in 2014, by unveiling a new logo, name and tagline: Restaurants Canada, the voice of foodservice.

Restaurants Canada is a national, not-for-profit association that represents Canada's diverse and dynamic restaurant and foodservice industry. Their primary focus is to advocate for the interests of their 30,000 members across Canada – including restaurants, bars, caterers, institutions and their suppliers – when dealing with various levels of government.

Restaurants Canada's Vice President for Western Canada (based out of Vancouver), Mark von Schellwitz, wrote to the Minister on August 17, 2017 to congratulate her new appointment and offer a meeting to discuss agriculture policy issues that may impact the restaurant industry, now and in the future. As an appendix to the letter, Restaurants Canada included an industry infographic highlighting facts about B.C.'s restaurant industry (see Appendix 1), which are consistent with data tracked by the Ministry of Agriculture (Ministry). According to Restaurants Canada, as of June 2017, B.C.'s restaurant industry:

- Includes 14,000 restaurants province-wide
- Directly employs 172,000 people (7.3 per cent of B.C.'s workforce)
- Employs one in four young people between the ages of 15 and 24
- Purchases \$4.5 billion in food and beverage products annually
- Generates \$13 billion in annual foodservice sales

Restaurants Canada is governed by a volunteer board of directors, who represent all segments of the restaurant and foodservice industry across the country. Board members from B.C. include:

- Vikram Vij, Vij's Restaurant Inc., Vancouver, BC
- James Henderson, The Keg Steakhouse & Bar, Richmond, BC
- Mo Jessa, Earl's Restaurants Ltd., Vancouver, BC
- Kelvin Lum, White Spot Hospitality, Vancouver, BC

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**WITH RESTAURANTS CANADA – October 23, 2017**

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**Appendices:**

Appendix 1 – British Columbia's Restaurant Industry

Contact: Julia Diamond, Manager of Innovation, 250-356-9831

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**WITH RESTAURANTS CANADA – October 23, 2017**

Appendix 1: British Columbia's Restaurant Industry Infographic June 2017  
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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Ron Bertrand, October 23, 2017**

Ref: 186819

Date: October 11, 2017

**Issue:** Meeting request by Ron Bertrand with Minister Popham to discuss the new mandate - Revitalizing the Agricultural Land Reserve (ALR) and Agricultural Land Commission (ALC).

**Background:** Ron Bertrand is currently a member of the Island Trust, a federation of local governments serving islands in the Salish Sea. He has previously worked for BC Agriculture Council (BCAC) and BC Ministry of Agriculture as a Director in the Resource Management Branch and in the Soils Branch. His colleagues, Dave Sands, Barry Smith and Mark Robbins also have long careers in agriculture, and have worked for the Ministry and the ALC in various capacities. The correspondence that was sent by Mr. Bertrand identified they believe that the ALR has lost a lot of land area over time and are interested in supporting the minister to achieve her mandate letter commitment.

One of this year's minister's mandate letter commitments is to "Revitalize the Agricultural Land Reserve and the Agricultural Land Commission". Work was undertaken by ministry staff to develop an approach and a recommendation of actions that would be taken to ensure that the minister could successfully achieve the minister's mandate letter commitment.

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**Suggested Response:**

- Thank you for offering to provide your perspective and support to help me achieve my mandate letter commitment.
- Ministry staff are currently finalizing the work plan that on this important commitment for me that will include ideas and perspectives from key stakeholders and the public.
- I look forward to working with stakeholders to determine the best actions to revitalize the ALR and the ALC and am interested in hearing your ideas.
- I am committed to ensure that the preservation of agriculture land and farming and ranching is the number one priority of the ALC.

Contact: Anna North, Corporate Governance, Policy and Legislation, 250-356-5814

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Ron Bertrand, October 23, 2017**

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**BRIEFING NOTE FOR MINISTER/DM/ADM FOR INFORMATION FOR MEETING**  
**with Ron Bertrand, October 23, 2017**

**Appendix 1 - ALR Facts**

- As of the last reporting period ending March 31, 2017, ALR area is about 4,615,858 hectares (or 5 percent) of the 94,646,000 hectare provincial land base, about 49 percent of ALR is Crown land.
- In 2016/17, the ALC made nearly 400 decisions on applications based on its legislative mandate and the processes established in legislation and regulation.
- 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).
- Between 2012 and 2017 the ALR has decreased by 7,379 hectares. This figure reflects application and non-application related ALR boundary changes noted in the table below.

<b>Fiscal Year</b>	<b>Inclusions (ha)</b>	<b>Exclusions (ha)</b>	<b>Net Change (ha)</b>	<b>Current Total ALR (ha)</b>
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
<b>Total</b>	<b>2,603</b>	<b>9,982</b>	<b>-7,379</b>	

- There are two non-application related ALR boundary changes of note in the table above:
  - Permanent exclusion of 2,775 hectares; and temporary exclusion of 941 hectares of land for Site C Dam.
  - 935.8 hectares of land excluded effective April 5, 2016 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*.
- The *Agricultural Land Commission Act* (ALCA) and the Agricultural Land Reserve Use, Subdivision and Procedure Regulation (ALRUSPR) support a variety of farming uses, primary agriculture production of crops and livestock. The legislation accommodates a range of provincial priority uses on ALR. For example, timber production, harvesting, silviculture and forest protection are designated farm uses. Permitted non-farm uses enable the province to accommodate other public needs such as: provincial parks, conservation areas, low-impact mineral exploration and specific transportation and utility work to occur on ALR.
- The ALC is the primary, independent decision maker, who determines how the ALR is used beyond the uses set out in the ALRUSPR. Local governments and the BC Oil and Gas Commission (OGC) also have specific decision making authority.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING with South Peace Grain**  
**Co-operative, General Manager, Shaun Grant**

Ref: 186834

Date: October 23, 2017

**Issue:** Grain shipping project in Dawson Creek, Peace Region

**Background:**

The South Peace Grain Cleaning Co-operative (SPG) has been established in 1963. In 2014 SPG expanded beyond their traditional services to include feed products, pedigreed and common seed, forage seed as well as livestock systems. SPG has grown its revenue from \$0.4M in 2011 to \$1.7M last year. They are currently in the process of developing a rail car loading facility with the intention of offering better marketing options to area producers.

The rail car loading facility would allow the shipment of B.C. grown feed grains into the lower mainland feed markets. It would also allow for the international marketing of value added /specialty grain products through the use of containers. SPG has proposed this project for a number of years; while it has generally received support, the project has not progressed due to other priorities in the region. The project demonstrates the co-operative's ability to identify a regional challenge and turn it into a business opportunity. The components necessary for the project to proceed to the next stage are: access to land, funding, and Canadian National Railway (CN) engagement. Land access has been the key obstacle to the project's progression.

**Discussion:**

Funding: SPG has done a good job of gaining local, regional, and provincial support for the project over the years. To date, SPG has invested up to \$50K in development and engineering costs. They have a solid business plan and are able to access financing once the primary asset of land to develop is secured. Infrastructure funding support by way of low interest or interest free loans or a grant would also be welcome.

CN: SPG has built a good relationship with CN and there is agreement between CN and SPG that CN would service the project. However, an agreement with CN cannot be finalized until the proposed land is secured and the project is closer to its financing stage.

Land access: The key obstacle is the identified parcel of land adjacent to their facility would accommodate the project but it has taken years to clarify its ownership and whether it is currently being used as intended. Initially, it was thought to be leased to Northern Lights College by the Crown. The land is actually owned by the Province however it is controlled by Northern Lights College. It has been difficult for SPG to find a decision maker to engage with on the opportunity. The land is currently vacant and not in use.

s.13

Contact: TJ Schur, Director, Industry Development, 250-387-7183

DIR TS ADM AL DM WS

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Paul Finch, BCGEU and member of the Radical Action with Migrants in Agriculture for**  
**October 30, 2017**

Ref: 186979

Date: October 20, 2017

**Issue:** Meeting request by Paul Finch, BC Government and Service Employees' Union (BCGEU) and a member of the Radical Action with Migrants in Agriculture (RAMA).

**Background:** The meeting has been arranged for the Minister to meet Paul Finch, BCGEU and a member of the RAMA on October 30, 2017, to discuss "a housing plan for migrant workers", no additional information was provided regarding what the plan would entail.

BCGEU in general is supportive of all workers collective rights in the province, and has participated in various events that highlight temporary migrant workers labour rights and strategies for organizing migrant workers.

RAMA is a migrant justice collective that advocates for Latin American and Caribbean migrant farm workers in the Okanagan Valley. They work to build radically inclusive and more socially just communities by engaging in political advocacy, accompaniment, direct support work, public awareness campaigns, and the documentation of workers' conditions and experiences. They are a volunteer-run, not-for-profit group.

Canada is wholly responsible for the Temporary Foreign Workers Program (TFWP), and is a federal immigration program. The program enables Canadian employers to hire foreign nationals to fill skills and labour shortages on a temporary basis. There are four distinct streams of immigration program: Seasonal Agricultural Worker Program (SAWP), Agricultural Stream, Stream for Lower Skilled Occupations, and Stream for Higher Skilled Occupations (See Appendix A: Information on the Temporary Farm Worker Program).

Employers in BC mostly access foreign workers through the SAWP, and the Agricultural Stream. The SAWP program involves temporary foreign workers from Mexico and participating Caribbean countries only, while the Agricultural Stream accesses workers from any country. In both cases, employers are to provide proof to Canada that on-farm or off-site housing has been inspected by the appropriate provincial/municipal body or by an authorized private inspector with appropriate certifications from the relevant level of government. Employers are further responsible for meeting requirements for work camp accommodations, under the Industrial Camp Regulations, as well as meeting employment standards under the *Employment Standards Act*.

The following provincial ministries have roles related to the TFWP in B.C.

*Provincial Roles:*

**Ministry of Health (HLTH):**

- Responsible for the provincial regulatory framework that includes housing standards for industrial camps in B.C. (Industrial Camps Regulation under the *Public Health Act*).
- HLTH delegates responsibility to the Regional Health Authorities (RHAs) Health Protection to provide regulatory oversight on the Industrial Camp Regulation (Regulation).
- Health Protection in RHAs investigates agriculture industrial camps on a complaint basis; no advance notice is provided to RHAs when agriculture work camps are operating in the health region.

**Ministry of Labour (Labour):**

- Responsible for other occupational health and safety such as bullying or workers, pay discrepancies and other employment standards issues.

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**October 30, 2017**

- Labour delegates responsibility to WorkSafe BC and Employment Standards BC to investigate complaints related to these issues.
- Mandate commitment to create a TFW registry which can track the use of temporary workers in the economy and may help protect vulnerable workers from exploitation.

**Ministry of Agriculture (AGRI):**

- Responsible for the management of the Agricultural Land Reserve (ALR).
- Delegates responsibility to local governments to provide oversight of housing on the ALR, including housing needed for the agriculture sector (domestic and for the TFWP).
- Provides a coordinating role for provincial ministries and the industry to address housing issues of TFWP and short and long term solutions and works with provincial partners and industry, and the federal government to implement solutions.

**Local Governments**

- Responsible for making decisions related to housing on the ALR through bylaws to accommodate farmer needs for housing workers on-farm and responsible for implementing various codes (e.g. building, fire).

**Discussion:** Housing temporary foreign workers in BC is a complicated issue. It involves all levels of government, employers who are responsible for the care of their workers and the workers themselves, both in being able to make complaints and managing their responsibilities. Due to on-going labour shortages, many BC agrifood and seafood producers and processors must continue to rely on migrant workers to meet their seasonal needs.

The health and safety of all workers in British Columbia is a priority for the provincial government. Health and safety requirements for farm worker housing are determined by a range of federal and provincial agencies, notably Employment and Social Development Canada, HLTH and Labour. Recently, AGRI has agreed to provide a coordinating role with ministries and agencies involved in housing to ensure there is communication across the agencies, with a focus on action and solutions to address issues in a timely manner. The following actions have been identified as first key steps:

- Commit to provincial coordination to take a systems approach to address housing;
- Improve housing inspections;
- Industry engagement / Culture change; and,
- One provincial housing standard (Industrial Camp Regulation review and update).

All have agreed to establish a provincial working group that will develop a work plan to address the four actions identified above and continue to meet regularly to ensure that updates on actions can be provided to the minister on a regular basis.

**Suggested Response:**

- Temporary Foreign Workers (TFWs) are critical to the B.C. agricultural sector and will become even more important in the coming years to ensure the worker needed to keep the agriculture sector viable continues.
- 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, and the industry 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.

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**October 30, 2017**

- AGRI staff continues to work with the Labour and Health to review and ensure the rights and protections continue to be achieved in the agriculture sector.

Contact: Heather Anderson, Corporate Governance, Policy and Legislation, 250 356-1687

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**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Paul Finch, BCGEU and member of the Radical Action with Migrants in Agriculture for**  
**October 30, 2017**

**Appendix A: Information on the Temporary Farm Worker Program**

- Overall immigration is a shared jurisdiction and federal law is paramount. The federal government is exclusively responsible for selections with some unique exceptions. The agricultural sector incorporates occupations that reflect a variety of skill levels.
- In an effort to balance the temporary employment needs of employers with the protection of workers, the Temporary Farm Worker Program (TFWP) has a variety of streams that cover lower- or higher-skilled/wage occupations.
- Employers can hire temporary foreign agricultural workers under four (4) distinct streams and must meet the specific requirements of the particular stream used (see Table 1: Information on the Four Temporary Worker Program Streams).
- Hiring higher- or lower-skill depends on the position to be filled and the wages paid. National Occupational Classification (NOC 2006) codes categorize positions into: NOC 0, A, B, C and D.
- The skill level of the job determines the NOC “code” which in turn determines if the job is classed higher- or lower-skilled.
- The higher-skilled positions (0, A, B) are typically managerial positions, technical or supervisory positions, often for which a post-secondary education or job-specific training is required.
- The Stream for High-wage Positions allows employers to hire temporary foreign workers for full-time positions (minimum of 30 hours of work/week) where the wage being offered is at or above the provincial/territorial median hourly wage where the job is located.
- Lower-skilled positions are often entry-level jobs that pay lower wages and are captured under NOCs (C and D).
- The Stream for Low-wage Positions allows employers to hire TFWs for full-time positions (minimum of 30 hours of work/week) where the wage being offered is below the provincial/territorial median hourly wage where the job is located.
- Under the Agricultural Stream, TFWs hired in higher-skilled positions such as: management, professional and technical occupations are eligible for permanent residency as long as they meet all of the immigration requirements set by Immigration, Refugees and Citizenship Canada or the Provincial Nominee Program.

**Table 1: Information on the Four Temporary Worker Program Streams**

	Seasonal Agricultural Worker Program	Agricultural Stream	Stream for Lower Skilled Occupations	Stream for Higher Skilled Occupations
<b>Workers</b>	Both lower and higher skilled workers in production section listed in the “National Commodity List”.	Both lower and higher skilled occupations ONLY used by primary agriculture production listed in the “National Commodity List”.	Workers in the primary agriculture sectors NOT listed in the “National Commodity List”. e.g.: employers in crop production would use lower-skilled General Farm Worker (NOC 8431-C) stream.	Any higher skilled agricultural worker with specific higher training or related education.
<b>Country of Origin</b>	Mexico & Caribbean only	Any country	Any country	Any country
<b>Duration</b>	Max of 8 months between Jan. 1 and Dec. 15 must be able to offer the workers a minimum	Maximum of 24 months.	Maximum 48 months.	Maximum 48 months.

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**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Paul Finch, BCGEU and member of the Radical Action with Migrants in Agriculture for**  
**October 30, 2017**

	of 240 hrs. of work within a period of 6 wks. or less.			
<b>Housing</b>	Free suitable housing (except in B.C. where a portion of these costs can be recovered through payroll deductions) either on-farm or off-site.	Suitable and affordable housing (except in B.C. where a portion of the costs can be recovered through payroll deductions) either on-farm or off-site. May deduct up to \$30 /week from TFWs wage.	Ensure that suitable and affordable accommodation is available to the TFW, or provide the worker with suitable and affordable accommodation, if necessary.	No housing requirement.
<b>Inspection requirement</b>	Employers must provide proof that on-farm or off-site housing has been inspected by the appropriate provincial/municipal body or by an authorized private inspector with appropriate certifications from the relevant level of government.	Employers must provide proof that on-farm or off-site housing has been inspected by the appropriate provincial/municipal body or by an authorized private inspector with appropriate certifications from the relevant level of government.	N/A	N/A

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING WITH**  
**BC ASSOCIATION OF ABATTOIRS on November 6<sup>th</sup>, 2017**

Ref: 186857

Date: October 25<sup>th</sup>, 2017

**Issue:** The BC Association of Abattoirs (BCAA) requested a meeting with the Minister to discuss opportunities and challenges facing BC abattoirs.

**Background:** BCAA was formed in 2009 to serve BC producers and provide consumers with safe, high quality meat products. BCAA represents all provincial Class A and B and federally licensed abattoirs in the province.

BCAA provided key support for the sector's transition to the new provincial inspection regime. BCAA has launched and participated in several programs in collaboration with the Ministry of Agriculture (AGRI) and other industry associations, including the BC Cattlemen's Association (BCCA), the BC Association of Cattle Feeders (BCACF) and the BC Breeders and Feeders Association (BCBFA). AGRI has funded initiatives delivered by BCAA for food safety, animal welfare and traceability objectives that have aided the success of the provincial meat inspection program since its inception in 2014.

BCAA and BCACF promoted the Certified BC Beef program that enables producers to brand their meat as solely BC raised, fed and processed. In April 2014, BCAA launched BCBeefNet, a website that connects BC chefs directly with producers and processors participating in the Certified BC Beef program. More recently, the BCAA has been focused on programs for branding and promoting commodities through a website called "BC Meats." These programs are examples of how BCAA has been addressing the market trend of buying local.

s.13

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Contact: Diana Edwards, Policy and Project Analyst, 250-356-1833

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**Ministry of Agriculture  
BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 186836

Date: 17/10/13

**Issue:**

Meeting with the Delta Farmers Institute (DFI) on December 7, 2017

**Background:**

**Waterfowl Damage**

- The Delta region is on the Pacific Flyway and serves as an important staging area for a variety of waterfowl. Migratory birds are protected under the federal *Migratory Birds Convention Act*.
- Over the last few years, changes in land use (development, increase in perennial crops such as blueberries), bird protection worldwide and climate change have substantially increased the pressure on the land base and waterfowl damage to forage in Delta.
- Mitigation tactics like planting less palatable forage, laser levelling (to reduce ponding), tile drainage (also to reduce ponding), and lure crops have met with limited success.
- Mechanisms that attempt to compensate for this damage include the Delta Farmland and Wildlife Trust (DFWT) and the provincial AGRI-administered Agriculture Wildlife Program (AWP).
- The DFWT has provided funds for set-aside land and land levelling programs.
- The AWP provides 80% compensation to enrolled perennial forage producers with verified waterfowl losses. There is no cost to enroll. Cover crops are not insured by this program.
- DFI farmers claim that AWP compensation replaces only a portion of the production loss. According to the producers, it does not take into account the replacement of the damaged perennial plant, long-term losses over the year as the result of the damage, and extra operational and opportunity costs incurred by the affected farmer. A study from 2007 commissioned by the BCAC estimates that the AWP compensates for less than 40% of the actual economic loss sustained by forage producers.

**Irrigation**

- The Delta farm industry is irrigation-water dependent. The 2010 ALUI showed that >60% of the field crop area is irrigated.
- Substantial improvements have been made to the Delta irrigation system over the last few years with the implementation of the Delta Irrigation Enhancement Project (DIEP). It was one of the conditions of approval from the Agriculture Land Commission (ALC) to mitigate the loss of agricultural land caused by the South Fraser Perimeter Road project (Highway 17).
- After some initial deficiencies, the DIEP is generally recognized as a success by the farming community. The total cost of it was approximately \$22 million.
- The original requirement from the ALC did not include Westham Island. Farmers on Westham Island do not have an adequate irrigation water supply and have been seeking to expand the project to include their region.
- Another area of concern in regards to irrigation is the predicted prolonged presence of a salt wedge in the Fraser River as the result of climate change.
- A study commissioned by DFI with funds from the BC Agriculture and Food Climate Action Initiative and the Corporation of Delta has found that within the next 10 – 25 years, the availability of low-salt irrigation water at the current water intake could drop to below 2 hours per day in years of low flow conditions.

**Other Issues That May Be Raised**

**Conversion of Prime Farmland for Non-Agricultural Uses**

- Since the opening of the Massey Tunnel under the Fraser River in 1959, the Delta farm community has experienced a multitude of regionally and provincially significant transportation, industrial and

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utility corridor, and residential developments: Highways 99, 17, 91 and Deltaport Way; the railroad serving Deltaport; development of Roberts Bank port facilities, industrial parks at Tilbury Island and River Road, industrial development at the Boundary Bay Airport, Southlands and other residential developments and numerous electrical transmission lines.

- Agricultural land loss continues today: a Port Metro Vancouver truck parking area on farmland is currently under construction; an exclusion of about 155 acres of ALR land for industrial development supported by the Corporation of Delta is currently under review by the ALC. Part of the proposed compensation package for the latter project would be funds towards an irrigation system for Westham Island.

s.13,s.14,s.16

Contact: Dieter Geesing, Regional Agrologist, 604-556-3048, [dieter.geesing@gov.bc.ca](mailto:dieter.geesing@gov.bc.ca)

DIR/MGR   BB   ED   MA   ADM   AL   DM   WS

**ADVICE TO MINISTER**

**Ministry of Agriculture**  
**KEY MESSAGES FOR MINISTER FOR MEETING**  
**with Jim Powell, BC Salmon Centre of Excellence <<Date>>**

Ref: 187124

Date: October 27, 2017

**Issue:** Jim Powell, Director for the Centre for Aquatic Health Sciences, would like to meet with Minister Popham to discuss his proposal for provincial funding for a Salmon Centre of Excellence in Campbell River as part of Budget 2018 consultations.

s.13

**Background:**

- The BC Centre for Aquatic Health Sciences (BC CAHS) is a not-for-profit diagnostic/research laboratory providing contract services to the aquaculture, fisheries and seafood sectors.
- The facility is located in Campbell River and was established in 2004 and is overseen by a Board of Directors, consisting of nine members. It currently employs 12 people and hosts temporary student positions.
- The operating budget is approximately \$1.5 million per year. Current infrastructure and equipment is valued at \$0.75 million. Funding comes from project grants and contract services.
- The Centre is currently developing a proposal for a Salmon Centre of Excellence (SCE) to be located in Campbell River and operated by BC CAHS. Key components of the proposal include: research & discovery; educational opportunity; and fostering sustainable economic growth & social responsibility.
- The concept is to develop a wet-lab and laboratory facility that would operate at very high, internationally accepted accreditation standards for aquatic animal and seafood diagnostic work and research. Accreditation standards would include: International Standards Organization; "Good Laboratory Practice"; and federal (Canadian) aquatic animal disease containment.
- The goal of the Centre would be to address critical issues in fish biology, ecology and culture, primarily salmon. The facility would host scientists, student placements as well as public and citizen science engagement to facilitate education and outreach.
- Dr. Jim Powell is BC CAHS' Chief Executive Officer. He has over 30 years' experience in the areas of fisheries and aquaculture sciences and is an established authority on fish reproduction and broodstock management. His primary work has been in the area of fish physiology and adaptive management strategies of fish culture for a range of fresh- and salt-water species. He has extensive experience in aquaculture drug development, testing, registration and implementation in addition to work in fish health.

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**Ministry of Agriculture**  
**KEY MESSAGES FOR MINISTER FOR MEETING**  
**with Jim Powell, BC Salmon Centre of Excellence <<Date>>**

Contact: David Travia, Corporate Governance, Policy and Legislation, 250-356-7640

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with New Zealand High Commissioner Ottawa, November 2, 2017**

Ref: 187072

Date: October 23, 2017

**Issue:** The Government of New Zealand's High Commissioner Daniel Mellsop has requested a meeting with Minister Popham to discuss B.C.'s agricultural priorities and to explore possible bilateral cooperation.

**Background:** New Zealand government representatives met with the British Columbia (B.C.) Ministry of Agriculture (AGRI) several times between 2007 and 2009. The main topics of these meetings included trade challenges between Canada and New Zealand, as well as other agricultural priorities. Daniel Mellsop was appointed New Zealand High Commissioner to Canada in February 2016. He is concurrently High Commissioner to Jamaica (Appendix A: Daniel Mellsop - New Zealand's High Commissioner to Canada Biography).

New Zealand (NZ) as a country is comparable to B.C. NZ's population is estimated at 4.78M, comparable to B.C.'s at 4.8M. Our economies are also of similar size with NZ at \$270 billion in 2017 and B.C. at \$219 billion in 2016. The area of NZ is made up of two big islands and hundreds of small islands, and is about one third the size of B.C. at 268,021 km<sup>2</sup>. In comparison B.C.'s land mass area is 944,735 km<sup>2</sup>. We also share similar geographies with mountainous terrain and long marine coastlines.

NZ has a small internal market and is heavily dependent on exports for its economic development. The country has taken an aggressive position in the World Trade Organization (WTO) negotiations and other trade agreement forums on the reduction of trade barriers and seeks comprehensive market access for agricultural goods as a top priority. The NZ economy has traditionally been dominated by agriculture with key agricultural exports to Canada including meat, dairy, wine and fruit.

In 2016, B.C. exported a total of \$7.4M in agrifood (\$6.7M) and seafood products (\$700 thousand) to NZ. The top B.C. exports to NZ were fruit and nuts (\$1.8M) and food preparations for manufacturing and natural health products (\$1.5M) and BC seafood product shipments were solely canned pink salmon (\$500 thousand) and canned sockeye salmon (\$200 thousand).

Also in 2016, Canada imported \$493M worth of NZ agrifood and seafood products with about one quarter (\$128.6M) coming in to B.C. Top agrifood commodities into B.C. from NZ were: beef products (\$26.6M), sheep and lamb products (\$23.8M) and wine (\$23M) followed by kiwis and apples (\$17.6M). NZ seafood imported in to B.C. totaled \$7M with mussels (\$3.4M) and salmon products (\$2.9M) as the top commodities.

**Discussion:** NZ Ministry of Primary Industry (MPI) includes agriculture, forestry, food safety, and fisheries. The MPI has developed a strategy with an overall mandate of "Growing and Protecting New Zealand". Their ambition is "New Zealand is the most trusted source of high value natural products in the world" (See Appendix B - MPI Strategy diagram). It is expected that the high commissioner will want to discuss the four outcomes and the six priority areas that are included in the strategy. The four outcomes in the strategy are "Growth, Sustainability, Protection, and Participation" with the six priority areas as follows:

- Ease of business - People and business-focused regulations and services;
- Market success - Market access, insight, and assurances;
- Sustainable performance - Sustainable primary sector resource use, supported by science;

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with New Zealand High Commissioner Ottawa, November 2, 2017**

- Realising potential - Building long-term capability and optimising the way we work;
- Leadership - Enabling action in the primary and government sectors; and
- New Zealanders - Informed, engaged, and supportive.

AGRI's mandate is to support an economically viable and sustainable agriculture and seafood sector in B.C. The Province has developed a platform to advance agriculture and food security in B.C., Grow B.C, Feed B.C., Buy B.C. This is reinforced by the minister's mandate letter that outlines the following five initiatives:

- Revitalize the Agricultural Land Reserve (ALR) and Agricultural Land Commission;
- Establish Grow B.C. to 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 to expand market access in Canada and abroad; and
- Work with growers, processors, colleges and universities as well as other provincial ministries to develop a Food Innovation Centre.

NZ may bring forth the following bilateral cooperation discussion topics:

s.13,s.16

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Ministry of Agriculture  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
with New Zealand High Commissioner Ottawa, November 2, 2017

s.13,s.16

**Suggested Response:**

- Thank you for meeting with me, I am interested in learning more about NZ agricultural priorities and your ideas on bilateral co-operation.
- From the information provided to me, it appears as though B.C. and NZ have a few similarities in priorities, such as sustainability, people focused services and biosecurity/food safety.
- Our province has great diversity, with over 200 agricultural commodities and 100 species of fish.
- One of my current priorities is on building up local markets, but I am always interested in supporting B.C. producers in building export markets.
- I see that NZ dismantled supply management for dairy in 1984. B.C. supports supply management as an effective policy tool to provide a fair price to farmers as supported by consumers of their product. The supply managed sector, including dairy, is important to B.C. with this sector representing a significant portion of our industry. I would be interested in hearing your views on how the dairy sector has been managing 33 years later.
- If raises B.C wine, to thank the Commissioner for the interest in discussing B.C. wine policy. I am happy to listen to your concerns but cannot respond given the World Trade Organization dispute.
- Thank you for your interest in discussing the Trans-Pacific Partnership Agreement. As you know, the federal government is responsible for negotiations of international agreements. We are encouraging our agriculture and seafood sector to share their views on the TPP with us and the federal government.
- I am very interested to hear about the success of the Te Hono movement in NZ to facilitate leadership training in your agricultural sector.

Contact: Thom Dennett, Corporate Governance, Policy and Legislation, 250 356 1671

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with New Zealand High Commissioner Ottawa, November 2, 2017**

**Appendix A: Daniel Mellsop - New Zealand's High Commissioner to Canada Biography**

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**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with New Zealand High Commissioner Ottawa, November 2, 2017**

**Appendix B – MPI Strategy**

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**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with New Zealand High Commissioner Ottawa, November 2, 2017**

**Appendix C: Te Hono Movement**

Summary

The Te Hono Movement was recently identified by Canada's Advisory Committee on Economic Growth for implementation into Canadian Agriculture.

New Zealand's business led, government-partnered Te Hono Movement provides an innovative example of how inspirational training can be provided at the leadership level of a sector, too. The program convenes agfood business leaders for a week of training every year at Stanford University on themes aimed at boosting the competitiveness of New Zealand's agfood sector.

Background

Te Hono started in 2012 as the New Zealand Primary Sector Bootcamp. It was a gathering of 23 Chief Executives from New Zealand's primary sector companies, together with the then Minister for Primary Industries, Hon. David Carter and Chief Executive of New Zealand Trade & Enterprise, Peter Chrisp.

The brainchild of New Zealand Merino CEO, John Brakenridge, Te Hono is a growing group of New Zealand agribusiness leaders who are exploring new ways of thinking and doing. Te Hono now features alumni of over 220 influential leaders representing 80% of the New Zealand primary sector who have built a strong foundation of trust, respect and knowledge.

Te Hono is business led, government partnered and deeply focused on the aspiration for New Zealand, to be recognised by the rest of the world for our natural environment and products, for the openness and ethical values of our people, and the quality of our relations with the rest of the world.

Te Hono comes from a greater concept: Hono Tangata, Hono Whenua, Hono ki te ao – strengthening relationships by linking to the land and connecting to the world.

Purpose

Making Aotearoa, New Zealand, a place where our children and their children want to live, work and thrive.

Vision

From price taking to market shaping. Transforming the primary sector to realise the opportunity for Aotearoa, New Zealand to be recognised for our natural environment and products, as world leaders in innovation – a place to prototype and amplify, and the quality of our relations with the rest of the world.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION**

Ref: 187105

Date: November 1, 2017

**Issue:** Meeting with James Donaldson from the BCFPA re: B.C. food processing sector

**Background:**

The British Columbia Food Processing Association (BCFPA) was established in 2004 and has grown to over 400 members. Food processing firms of all sizes and types are represented. James Donaldson is the CEO for the BCFPA. The BCFPA works as an advocate for industry and continues to expand in membership and services. BCFPA membership represents approximately 15% of total food processing facilities but over 85% of industry revenues.

The BCFPA is currently participating in a Capacity Building Pilot Project to advance its working relationship with the Small Scale Food processing Association (SSFPA) and create a co-packing tool that will be used to expand provincial production capacity and increase the overall value of each association to industry.

The BCFPA delivers valuable services to industry such as the annual FoodPro West Tradeshow, quarterly Breakfast Series speaker events and subject-focused peer groups.

**Discussion:**

Recycle B.C.: BCFPA membership has voiced concern over recent increases in fees. B.C. food processors currently operate with slim margins and the fee increase is a challenge to overall sector competitiveness. BCFPA wishes to discuss possible solutions to assist the industry in adjusting to these costs.

Select Standing Committee: The BCFPA has made a presentation to the Select Standing Committee on Finance and Government Services as part of the 2017 provincial budget consultation process (presentation attached). Labour programs, investment in technology and amendments to the B.C. Farmers' Food Donation Personal Income Tax Credit are cited as opportunities to support B.C. food processors.

Food Innovation Center: Following stakeholder meetings with the Ministry of Agriculture, SSFPA and the University of British Columbia, the BCFPA has agreed to play a role in the concept development and consultation process for the Food Innovation Center. Implementation of co-packing tools and industry communications may assist the Ministry's efforts and build the internal capacity of the BCFPA

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Contact: James Street, Manager, Food Processing, 250-356-6373

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Donna Barnett, MLA (Cariboo-Chilcotin), November 8, 2017**

Ref: 187070

Date: November 8, 2017

**Issue:** MLA Barnett would like to discuss Crown land in the Agricultural Land Reserve being turned into an agricultural lease in her constituency.

**Background:** Agricultural leases of Crown land is the responsibility of the Ministry of Forests, Lands, Natural Resource Operations, and Rural Development (FLNR). Agricultural producers can apply to use Crown land for the cultivation and production of crops, and hay cutting and grazing. There are several types of leases, depending on the agricultural land use; all types of agricultural leasing require specific applications to FLNR and each application has specific requirements and fees. (See Appendix 1 – Lease Types for a summary)

The Crown owns almost half (48%) of the land in the agricultural land reserve (ALR). When the ALR was established, some low agricultural capability Crown land was placed in the ALR to ensure access to grazing and pasture land recognizing it would not be suitable for cultivation. The Ministry of Agriculture (AGRI) has data on the uses of Crown land and private land (includes federal and municipal use) in the ALR. In Zone 2, 64% of the Crown ALR land supports extensive farming, 14% is used for permitted non-farm uses and 15% has no apparent use. (See Appendix 2 - Data on Land and Uses in ALR).

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**Suggested Response:**

- FLNR is responsible for issuing agricultural leases of Crown land.
- Ministry of Indigenous Relations and Reconciliation is working with FLNR on treaty settlement concerns identified by grazing tenure holders.
- The Province is also carefully considering UNDRIP, the implementation, and the implications to the natural resources.
- The Province has also been undertaking significant efforts to assist the ranchers in the Cariboo-Chilcotin in the wildfire recovery process.
- The BC Cattlemen's Association and Range staff from FLNR 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.
- We have programs and people in place to help them relocate cattle, provide emergency livestock feed for their cattle if they need it, and to re-enter and re-access their property.

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**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Donna Barnett, MLA (Cariboo-Chilcotin), November 8, 2017**

- 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.
- Fence reconstruction along highways and on Crown range has completed or 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.

**Contact:**

Nicole Pressey, Regional Agrologist, Williams Lake, Sector Development Branch, 250-398-4504  
Anna North, Corporate Governance, Policy and Legislation, 250-356-5814

ED   LH        ADM   JM        DM   WS  

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Donna Barnett, MLA (Cariboo-Chilcotin), November 8, 2017**

**Appendix 1 – Crown Land Lease Types**

*Intensive Agriculture Lease:*

Intensive agriculture, sometimes called small agriculture, provides access to up to 15 hectares of Crown land for commercial farm production. This land use encourages and supports the sustainable development of commercial farms in British Columbia. Specifically, intensive agriculture is defined as the use of Crown land for the commercial production of animals, fruits and/or vegetables including poultry farms, dairy farms, market gardens, greenhouses, nurseries, piggeries and feed lots.

*Extensive Agriculture Lease:*

Extensive agriculture, sometimes called large agriculture, provides farmers with access to land in British Columbia for the cultivation and production of crops. Specifically, extensive agriculture is defined as the use of Crown land for soil bound cultivation, to produce cereal, seed, forage, vegetable or fruit crops for mechanical harvesting. Except in special circumstances, this program is open to those already farming in British Columbia who own farmland within 15 kilometers of the desired Crown land.

*Grazing leases:*

Rangelands are an important agricultural resource for livestock grazing. Sustainably managed rangelands ensure a healthy, lasting resource for the ranching industry, guide outfitters, First Nations, government and non-government agencies, wildlife, recreationalists and the general public. Grazing leases are a 20-year tenure issued under the *Land Act*. They are administered and renewed by provincial and district range staff. Applications for new grazing leases are not available. An existing grazing lease can be applied for upon its expiry only by the existing lessee. Grazing and hay cutting licenses and permits are also available under the *Range Act*.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Donna Barnett, MLA (Cariboo-Chilcotin), November 8, 2017**

**Appendix 2 - Data on Land and Uses of ALR**

The table provides definitions of the labels in Diagram 1 "Overview of the ALR by Zone 1 and Zone 2".

Label	Definition
Land not available	Land covered by water or transportation rights-of-way.
First Nation reserve land	First Nation reserve lands as identified by Canada Lands Survey Records. Use and access of this land is limited and therefore is excluded from "available land".
Available land	Remaining ALR land (i.e., not included in the above two categories).
Farm use	Occupation or use of land for farm purposes, growing plants, raising animals and any other activity designated as farm use by regulation. Includes; agri-tourism, horse riding, training and boarding, winery, cidery. <ul style="list-style-type: none"> <li>• Intensive: farm use of smaller areas of land, utilized intensely with more inputs.</li> <li>• Extensive: farm use of large areas of land, utilized with minimum outlay and labor (grazing).</li> </ul>
Permitted use	Uses permitted by ALCA and the ALRUSPR that are not farm uses. <ul style="list-style-type: none"> <li>• Crown uses include: Provincial parks, wildlife management area established under the <i>Wildlife Act</i>, surveying, exploring or prospecting for gravel or minerals and certain road and railway construction.</li> <li>• Private uses include: residential, home occupations, temporary sawmill, bed and breakfast, breeding pets or operating a kennel or boarding facility, aggregate extraction (volume less than 500m<sup>3</sup>).</li> </ul>
Other use	Any other active use of land (may be authorized through other legislation and may have required ALC decision to proceed) that is not a farm use or a permitted use defined by the ALCA and ALRUSPR. (e.g. quarrying, commercial recreation, industrial, utilities)
No apparent use	Natural areas, steep slopes, treed, cleared land, abandoned or neglected land with no apparent human use.
Data not available	No ALUI data available, applies to private land only, this means there is no available information about land use.

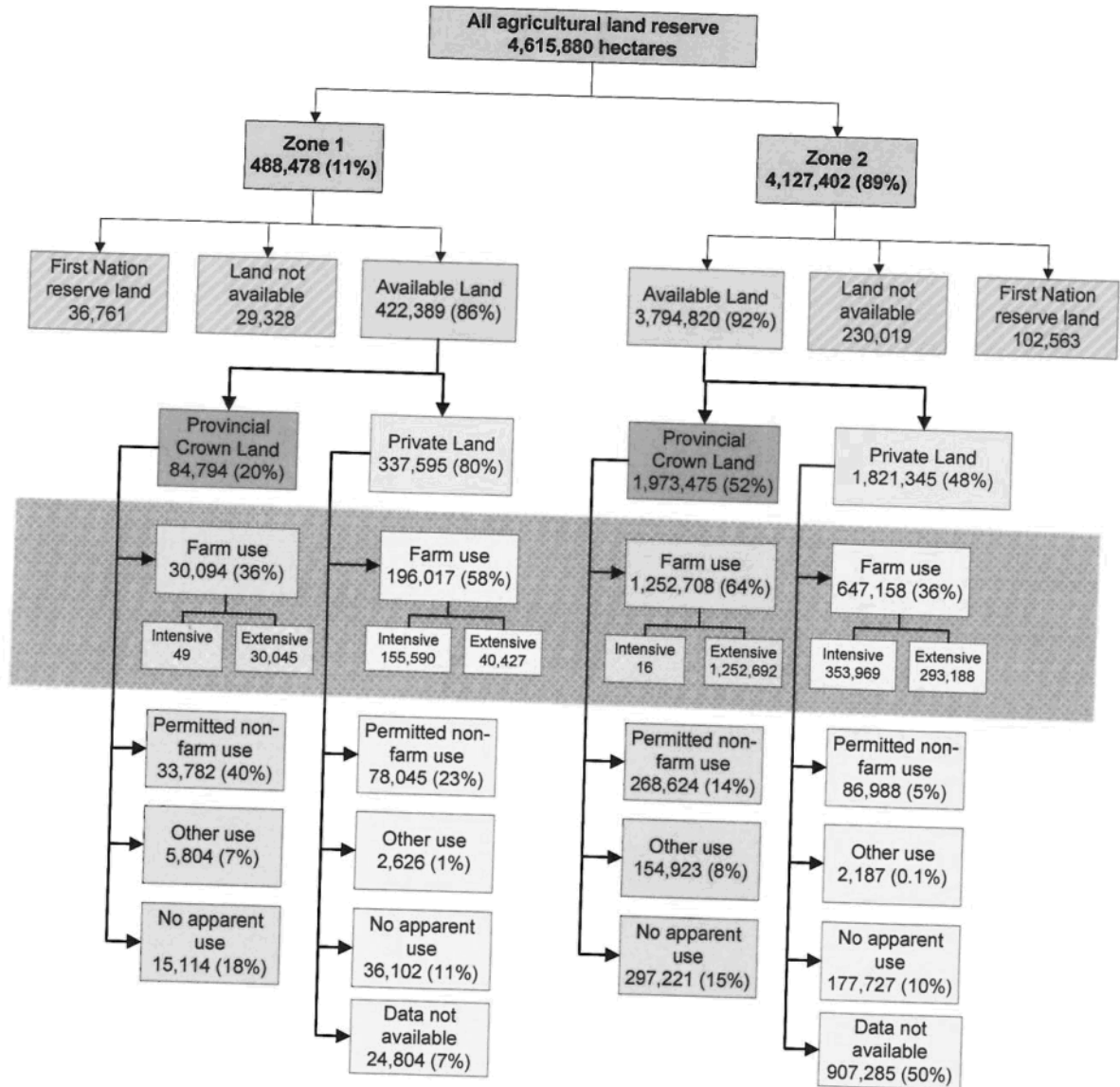
The ALR designation covers about 4,615,880 hectares (5%) of the 94,646,000 hectare provincial land base.

Diagram 1 presents the ALR by Zone 1 and Zone 2 according to land availability, land ownership, and uses as authorized by the ALCA and ALRUSPR. The total ALR land has been reduced by First Nation reserve lands, and land not available (under water or covered by transportation rights-of-way) as these lands are not available for other purposes. With respect to the data, all area units are hectares, and due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Donna Barnett, MLA (Cariboo-Chilcotin), November 8, 2017**

**Diagram 1: Overview of the ALR by Zone 1 and Zone 2**

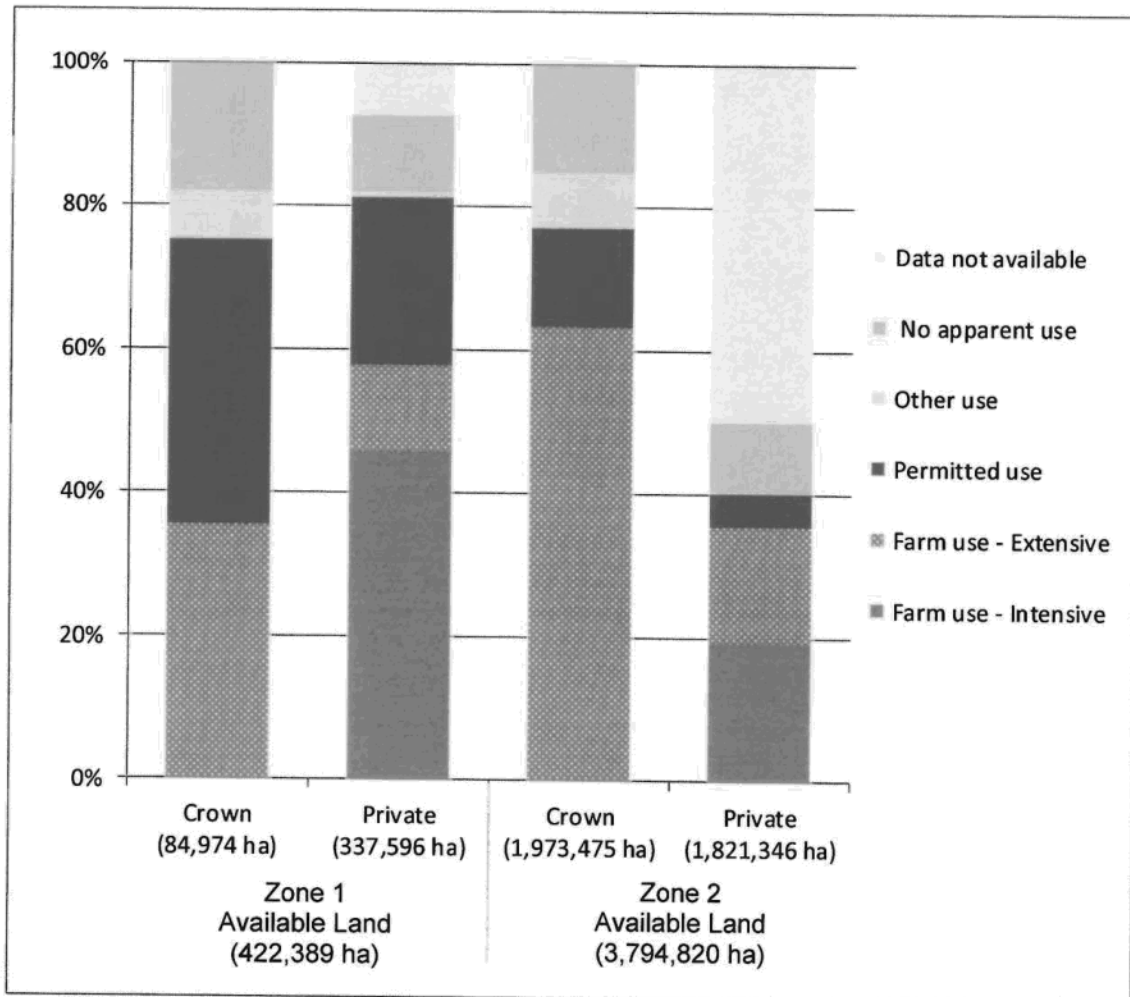


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**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Donna Barnett, MLA (Cariboo-Chilcotin), November 8, 2017**

Diagram 2 “Comparison by Zone 1 and Zone 2 - Uses on Crown and Private ALR” provides a comparison of uses by both Crown and private in Zone 1 and Zone 2.

**Diagram 2: Comparison by Zone 1 and Zone 2 - Uses on Crown and Private ALR**



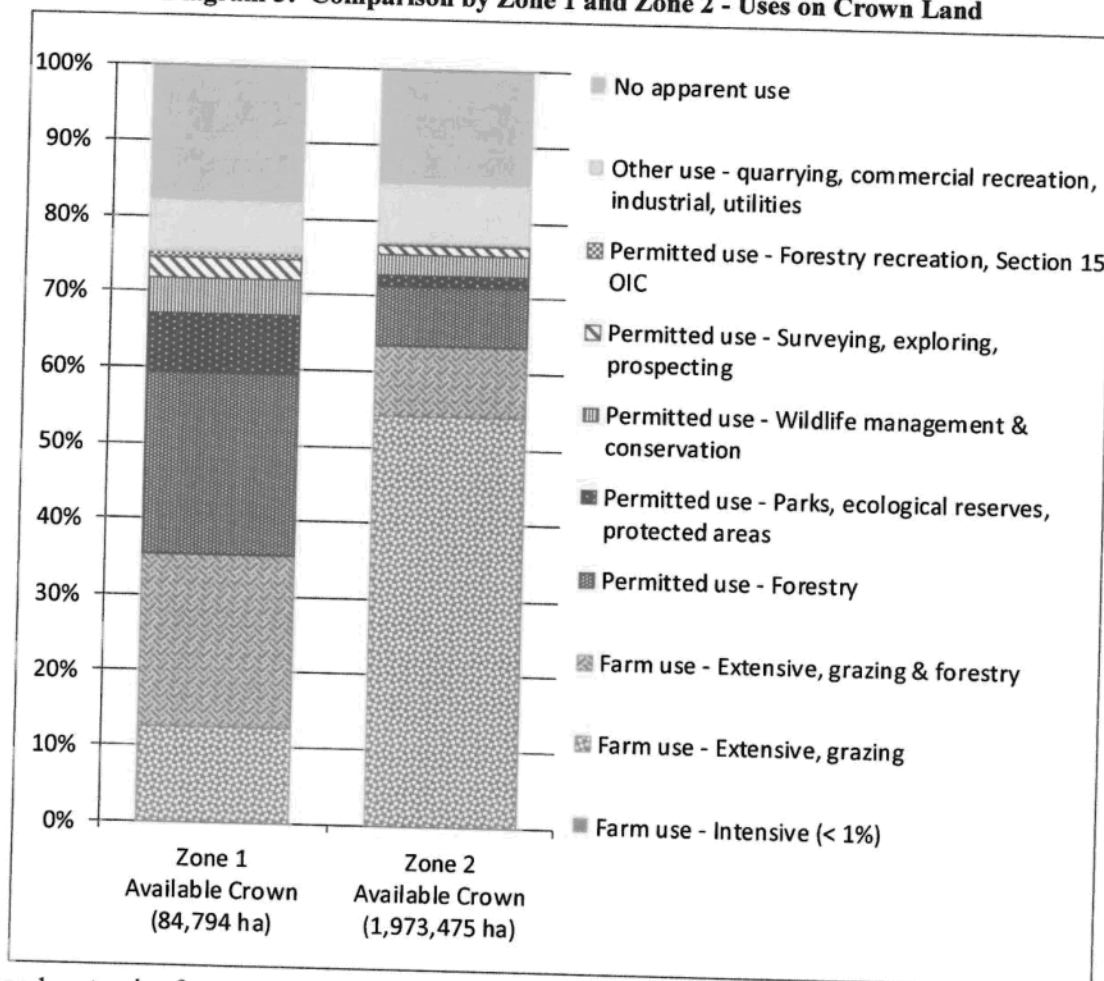
With the exception of Zone 2 Private, where there is a lack of ALUI data, this diagram indicates that in each zone, by both Crown and Private land, a majority of the ALR is being used according to the ALCA and the ALRUSPR. In the category ‘No apparent use’ for Crown land, there is 18% in Zone 1 and 15% in Zone 2. In the category ‘No apparent use’ for Private land, there is 11% in Zone 1 and 10% in Zone 2.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Donna Barnett, MLA (Cariboo-Chilcotin), November 8, 2017**

Diagram 3 “Comparison by Zone 1 and Zone 2 - Uses on Crown Land” provides a more detailed comparison of uses on available ALR Crown land in Zone 1 and Zone 2. The diagram shows how the ALCA and the ALRUSP permitted uses support the goals of other provincial ministries on available Crown land, while continuing to support farm uses.

**Diagram 3: Comparison by Zone 1 and Zone 2 - Uses on Crown Land**



In Zone 1, extensive farm use makes up over one third (36%) of the available provincial Crown land. Note in some cases forestry tenure exists with grazing tenure. Within the category of Permitted uses, which has a total base area of 33,782 ha, forestry takes up 59%, parks, ecological reserves, protected areas, and wildlife management combined take up 32%, and surveying, exploring, prospecting takes up 7%.

In Zone 2, extensive farm uses make up almost two thirds (64%) of provincial Crown ALR. Note in some cases forestry tenure exists with grazing tenure. Within the category of Permitted uses, which has a total base area of 268,624 ha, forestry takes up 58%, parks, ecological reserves, protected areas, and wildlife management combined take up 30% and surveying, exploring, prospecting takes up 9%.

The ‘No apparent use’ category represents 18% of Crown land in Zone 1 and 15% of Crown land in Zone 2. For a further breakdown of where these lands are located, see Table 1 “Percent of provincial Crown ALR with ‘No apparent use’ by Regional District” below.

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Donna Barnett, MLA (Cariboo-Chilcotin), November 8, 2017**

Table 1 “Percent of provincial Crown ALR with ‘No apparent use’ by Regional District” provides information at a Regional District level that illustrates where land with no apparent use is distributed across the province.

**Table 1: Percent of provincial Crown ALR with ‘No apparent use’ by Regional District**

Regional District	ALR Zone	Hectares	% of provincial Crown ALR with 'No apparent use'
Peace River Regional District	2	134,964	43.2%
Regional District of Fraser-Fort George	2	64,726	20.7%
Bulkley Nechako Regional District	2	24,855	8.0%
Cariboo Regional District	2	23,171	7.4%
Regional District of East Kootenay	2	15,642	5.0%
Kitimat Stikine Regional District	2	9,446	3.0%
Thompson Nicola Regional District	2	9,084	2.9%
Northern Rockies	2	8,818	2.8%
Fraser Valley Regional District	1	4,527	1.4%
North Coast Regional District	2	4,095	1.3%
Regional District of Columbia-Shuswap*	1	2,649	0.8%
Metro Vancouver Regional District	1	1,420	0.5%
Regional District of Central Kootenay	2	1,379	0.4%
Regional District of Okanagan Similkameen	1	1,371	0.4%
Regional District of North Okanagan	1	1,267	0.4%
Regional District of Columbia-Shuswap*	2	708	0.2%
Cowichan Valley Regional District	1	677	0.2%
Squamish-Lillooet Regional District*	1	667	0.2%
Capital Regional District	1	579	0.2%
Regional District of Alberni-Clayoquot	1	482	0.2%
Powell River Regional District	1	377	0.1%
Comox Valley Regional District	1	354	0.1%
Regional District of Nanaimo	1	341	0.1%
Strathcona Regional District	1	237	0.1%
Regional District of Kootenay Boundary	2	159	0.1%
Sunshine Coast Regional District	1	154	0.0%
Squamish-Lillooet Regional District*	2	100	0%
Central Coast Regional District	2	74	0%
Regional District of Central Okanagan	1	12	0%
Mount Waddington Regional District	1	0	0%
TOTAL		312,335	100%
*Split between Zone 1 and Zone 2	Zone 1	15,114	5%
	Zone 2	297,221	95%

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Donna Barnett, MLA (Cariboo-Chilcotin), November 8, 2017**

**Appendix 3 – Key Messages for Wildfire Response**

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**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR DECISION**

Ref: 186823

Date: September 19, 2017

**Issue:** Farm Income Issues in 2017

**Background:**

- There have been a number of uncontrollable loss events occur in 2017 which are having significant impacts on the income of farmers and ranchers. The events include:
  - forage winterkill in the Nechako and to a lesser extent the Peace region
  - excessive moisture preventing or delaying grain and oilseed seeding in the Peace region
  - severe hail on grain and oilseeds
  - bertha armyworms on Vancouver Island and in the Interior
  - extensive wildfires through the interior of the province
  - additional loss events may still occur
- The BRM programs (AgriStability, AgriInsurance and AgriInvest) can address some of the financial costs of these adverse weather conditions events. However, there is low participation in the affected areas, some are at or below 50%; except grain sector under AgriInsurance participation is 80%. The programs do not have provision for enrollment after a loss event has occurred.
- The *Farm Income Insurance Act* enables the creation of farm income programs (i.e. AgriStability) that provide money or a guarantee or assurance of income to farmers. Income supports paid through programs established under the Act's regulations (Farm Income Plans Regulation, B.C. reg. 123/2004) are paid out of the Agriculture Income Stabilization Trust Fund (AIS).
- Under the Federal-Provincial Growing Forward 2 Agreement (GF2), funding can be accessed through AgriRecovery to address the extraordinary costs associated with recovery from a disaster. This program is designed to cover extraordinary costs not covered by the existing suite of BRM programs.

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**Approved / Not Approved**

\_\_\_\_\_  
Lana Popham, Minister

\_\_\_\_\_  
Date Signed

Contact: Lonny Steward, Director, Policy and Product Review, BRMB, 250 861-7204

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## APPENDIX A

### Background on the AgriStability Program

- There are two programs which provide direct protection of farm income from market and weather related losses.
  - Production Insurance (AgriInsurance) protects against crop losses. It is a long standing program that generally does well for its intended purpose.
  - AgriStability provides coverage against margin declines. Margins, at their simplest, are eligible revenue minus eligible expenses. The performance of AgriStability is mixed. Producer satisfaction and participation have slipped across the country.
- AgriStability is highly individualized running off of income tax data and producer declared information on productive capacity (e.g. acres, livestock numbers) and inventory.
- Producer understanding and the administrative and computer systems used to deliver AgriStability are becoming mature. The long standing complaints of AgriStability around timeliness and predictability, although still relevant, are far less pronounced than five years ago.
- Canada pushed for and achieved large cost reductions for AgriStability in Growing Forward 2 (GF2). The target was to achieve a 30% cost reduction. Actual cost reductions have proven to be closer to 50%. This fact coupled with strong market prices and no severe loss events through GF2 have led to a large program surplus in AgriStability.
- Reference Margin Limits (RMLs) are a feature to AgriStability introduced in GF2 as a way to reduce costs in a targeted way. Farms with large margins have limits applied. The purpose was to target program reductions to profitable farms. They have worked quite well for that purpose.
- There are specific farm cost structures prominent in several sectors in B.C. that have been inadvertently impacted hard by RMLs.
- Farms which are highly mechanized, use a large percentage of family labour or have low annual operating costs are disproportionately impacted by RML. These tend to be medium sized (\$250k - \$500k annual revenue) family farms producing perennial crops. A large portion of blueberry, cranberry and cow/calf producers in B.C. fall into this category. These farms have high ineligible expenses under AgriStability so, despite not being particularly profitable, do not receive proportionate protection from AgriStability.
- Producer participation in AgriStability is variable between sectors and between years. Generally speaking less than half of eligible farms, representing about 60% of market receipts participate. The program cost reductions implemented in GF2 have had a negative impact.
- B.C. tried to negotiate AgriStability changes and enhancements into the new Canadian Agriculture Partnership (CAP) Agreement. We were largely unsuccessful but did get a modest adjustment to RML for those most severely impacted.
- Also included in CAP is a provision for late enrollment. Producers can enroll at the end of the tax year (after the loss event). Any payments are reduced by 20%.
- B.C. uses a trust account to fund AgriStability and AgriInvest (payments and administration costs). An annual provincial budget transfer is deposited into the account. Payments and administration costs are paid from the account. 60% of these costs are recouped from Canada and deposited into the trust. Any annual surpluses accumulate in the account for use against future costs.
- There are three design features to AgriStability that drive payment amounts:
  - The **payment trigger** is the percentage drop in the program year margin compared to the reference margin before a payment is made. The trigger is currently a 30% or inversely 70% of the reference margin is covered by AgriStability.
  - The **RML** is a limit placed on how high a reference margin can be. Reference margins cannot exceed the eligible expenses from the reference period. CAP contains a provision that only allows RML to reduce the reference margin by a maximum of 30%. Any farm where annual expenses are less than half of annual revenue through the reference period will have an RML applied.

- **Compensation rate** is the percentage of the loss below the payment trigger AgriStability pays for. The current compensation rate is 70%.
- The only driver which has trade issues is the payment trigger. There is a difference in how trading partners view subsidy programs if they have a payment trigger of less than 30%.
- AGRI has been considering the feasibility of providing higher coverage under AgriStability since it became apparent improvements would not be successfully negotiated nationally.
- The changes contemplated have been to reduce the impact or eliminate RMLs all together and to increase the compensation rate to 80%. The increase in compensation rate would only apply on portion of loss on the positive margin. Compensation on the negative margin portion (eligible expenses exceed eligible revenue) of the loss remain at 70%.
- These changes return the two parameters to pre-GF2 levels and address the most significant income protection gaps. They also reduce disparity between farms due to cost structure (eligible vs. ineligible).
- Payment triggers have the greatest impact on annual program cost and variability and potentially draw scrutiny from trading partners.
- Projecting the marginal cost of B.C. Only AgriStability changes were not possible until the terms of CAP were decided which did not happen until July 2017.
- Any cost projections of AgriStability must be prefaced with a caution that payments are made due to changes in market prices and production levels. These can only be assumed.

Under CAP agreement AgriStability rules preliminary estimates of eliminating the RML and increasing compensation rate to 80% is an annual average cost increase of approximately \$3 to \$4 million. It is possible to add more accuracy and certainty to estimates with further analysis but costs will always be determined by future events.

**SERVICE LEVEL AGREEMENT REGARDING  
INSPECTION OF SEAFOOD PROCESSING  
FACILITIES**

**BETWEEN**

Ministry of Agriculture

**and**

Northern Health Authority, Interior Health Authority,  
Vancouver Island Health Authority, Vancouver  
Coastal Health Authority, Fraser Health Authority

**and**

Ministry of Health

Version: 2017-07-18

## 0.0 SERVICE LEVEL AGREEMENT

This document is a service level agreement between:

Fraser Health Authority

and

Interior Health Authority

and

Northern Health Authority

and

Vancouver Coastal Health Authority

and

Vancouver Island Health Authority

(Collectively the "RHAs")

and

Ministry of Agriculture ("AGRI")

and

Ministry of Health ("HLTH")

(Collectively the "Parties")

### BACKGROUND

AGRI is the statutory authority responsible for licensing and inspecting facilities used for processing, handling, storing, or transporting fish that may be distributed to the public for human consumption, and enforcement, pursuant to the *Fish and Seafood Act* and related regulations;

The BC Food Safety Strategic Framework ("Framework") was approved by the Assistant Deputy Ministers ("ADM") of HLTH and AGRI in 2016. The Framework was developed to identify opportunities to improve the overall efficiency and

effectiveness of the BC food safety system through alignment of HLTH and AGRI mandates; creating synergies of collaboration; and avoiding duplication of effort;

The RHAs have responsibilities delegated to them by HLTH for operational implementation of the *Public Health Act*, the *Food Safety Act* and all related regulations. This includes inspection of food premises, which includes food processors, food service establishments and food retail stores, to ensure compliance with legislated food safety requirements;

Persons employed as Public Health Inspectors, now known as Environmental Health Officers ("EHO"), by the RHAs were appointed as inspectors under the former *Fish Inspection Act* (OIC 1196, approved and ordered December 11, 2003);

The *Fish and Seafood Act* repealed and replaced the *Fish Inspection Act* so, according to s. 36(1) of the *Interpretation Act*, the appointments of EHOs as inspectors continue under the *Fish and Seafood Act*;

The Regional Directors of Health Protection Council ("Council") is made up of representatives from each of the RHAs. Following a meeting of the Council on January 16, 2017, the Council agreed to accept an expanded role around pre-licensing inspection and investigation of domestic<sup>1</sup> Seafood Processors, including those processors that exclusively process sport-caught fish;

Effective and efficient delivery of licensing, inspection and investigation functions requires a collaborative approach.

## **AGREEMENT**

THE PARTIES AGREE AS FOLLOWS:

### **1.0 PURPOSE OF AGREEMENT**

1.1 The purpose of this Service Level Agreement ("Agreement") is to specify the roles and responsibilities of the Parties to the Agreement.

The Agreement is consistent in spirit and intent with the principles outlined in the Framework for guiding decision-making, which are as follows:

1. Consistently work in the public's best interest.
2. All collaborative agencies support each food safety system partner's efforts.
3. Protect public health by being proactive in managing food safety and applying a preventative approach.

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<sup>1</sup> For the purposes of this Service Level Agreement, the term 'domestic' means a processor who is only provincially licensed (i.e., not federally-registered).

4. Apply a consensus/participatory-based decision-making and solution-based dialogue.
5. Provide maximum value for money and a fiscally-sustainable food safety system.

1.2 This Agreement is to be interpreted so as to not conflict with or deviate from provincial statutes, and to be subject to them. Authority derived from legislation may be conferred by appointment; however, the agency with responsibility for administration of the statute remains the lead agency for purposes of developing policy guidelines for directing activities related to the exercise of statutory authority.

## **2.0 GOVERNANCE STRUCTURE**

The Management Team for administering the Agreement is as follows:

Executive Director Food Safety and Inspection Branch  
AGRI

and

The Council

The Parties must direct the Management Team to meet as required, but at least once per year to:

1. discuss the Agreement and review food-safety related legislative, regulatory, policy, procedural, and safety issues of mutual concern;
2. enhance communication and coordination of licensing, inspection, and investigation activities;
3. review the Agreement as it pertains to specific roles and responsibilities and areas of mutual concern;
4. develop appropriate policies, procedures and coordinated responses for addressing specific issues;
5. advise the Assistant Deputy Minister ("ADM"), Agriculture Science and Policy, AGRI and the ADM, Population and Public Health, HLTH as required about progress and effectiveness of licensing, inspection and investigation functions and make appropriate recommendations;
6. receive presentations by invitation from government, industry and other stakeholders on matters of interest to the Parties, and provide appropriate responses; and
7. produce reports as requested.

## **3.0 SCOPE OF AGREEMENT**

### **3.1 In-Scope**

Licensing, inspection and investigation of domestic Seafood Processors<sup>2</sup>, including those that exclusively process sport-caught fish and those that exclusively provide cold storage services.

Other required inspections and investigation of food premises such as food service establishments and food retail premises that are co-located within the same facility as a domestic Seafood Processor, and mobile retailers of fish and seafood.

Licensing, inspection and investigation of Fish Receivers and Fisher Vendors.

The responsibilities of the Parties for licensing, inspection and investigation of food-related activities are described in Annex A.

### **3.2 Out-of-Scope**

Federally registered seafood processing facilities.

Harvesting of wild aquatic plants.

Culturing of aquatic plants.

## **4.0 ISSUES MANAGEMENT**

The Parties undertake to resolve issues arising under the Agreement in accordance with the process outlined below. The dispute resolution process is based on an escalation model where the Parties agree to make their best effort to solve problems at the lowest level, proceeding to the next level only when necessary.

### **4.1 Dispute Resolution Process**

Issues will be raised informally and all attempts will be made to resolve issues at the operational level through collaborative problem solving.

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<sup>2</sup> A domestic Seafood Processor is a holder of a seafood processing licence under the Fish and Seafood Licensing Regulation.



If the issue is not resolved to the mutual satisfaction of the Parties, then the issue will be presented formally, in writing, by the originating party to the other parties. The other party or parties will respond in writing within five working days.

If the issue is not resolved, the Management Team will present the issue for final resolution to the ADM Agriculture Science and Policy, AGRI and the ADM Population and Public Health, HLTH.

## **5.0 FORMAL REVIEW AND AMENDMENTS**

The Agreement will be reviewed on an annual basis on or before the anniversary date of the signing of the Agreement and each subsequent anniversary by the Management Team.

The Agreement may be amended in writing with the written consent of all Parties.

## **6.0 TERM OF AGREEMENT AND TERMINATION CLAUSE**

The Agreement is effective as of the date on which the final party signs the Agreement and will remain in effect until terminated by agreement of the Parties.

Any of the Parties may withdraw from the Agreement at any time by giving 90 days written notice to all of the other parties.

## 7.0 SIGNATORIES

\_\_\_\_\_  
James Mack, Assistant Deputy Minister  
Agriculture Science and Policy Division  
Ministry of Agriculture

\_\_\_\_\_  
Date

\_\_\_\_\_  
Arlene Paton, Assistant Deputy Minister  
Population and Public Health  
Ministry of Health

\_\_\_\_\_  
Date

\_\_\_\_\_  
Oonagh Tyson, Manager  
Health Protection  
Fraser Health Authority

\_\_\_\_\_  
Date

\_\_\_\_\_  
Roger Parsonage, Corporate Director  
Population Health  
Interior Health Authority

\_\_\_\_\_  
Date

\_\_\_\_\_  
Allan Torng, Regional Director  
Health Protection  
Northern Health Authority

\_\_\_\_\_  
Date

\_\_\_\_\_  
Richard Taki, Executive Director  
Health Protection  
Vancouver Coastal Health Authority

\_\_\_\_\_  
Date

\_\_\_\_\_  
TBD, Regional Manager  
Health Protection  
Vancouver Island Health Authority

\_\_\_\_\_  
Date

## **ANNEX A: ROLES AND PRIMARY RESPONSIBILITIES**

The following administrative arrangements are in place:

1. Where violations of another party's mandate are observed in the normal course of duties, all Parties agree to record and communicate the observance to the party with jurisdiction.
2. The RHAs are responsible for inspecting food service establishments and food retail premises that are co-located within the same facility as a domestic Seafood Processor.
3. The RHAs are responsible for inspecting mobile fish retailers, other than fisher vendors selling from the harvest vessel to the public.
4. The RHAs are responsible for inspecting domestic Seafood Processors to ensure compliance with the Fish and Seafood Licensing Regulation. This includes domestic Seafood Processors that exclusively process sport-caught fish and those domestic Seafood Processors that exclusively provide cold storage services.
5. The RHAs are responsible for investigation of domestic Seafood Processors with assistance from AGRI as required.
6. AGRI is responsible for inspecting dockside Fisher Vendor activities to ensure compliance with the Fish and Seafood Licensing Regulation.
7. AGRI is responsible for inspecting Fish Receivers to ensure compliance with the Fish and Seafood Licensing Regulation.
8. AGRI is responsible for inspecting domestic Seafood Processors that exclusively process aquatic plants to ensure compliance with the Fish and Seafood Licensing Regulation.
9. AGRI is responsible for the licensing of all domestic Seafood Processors, Fish Receivers, and Fisher Vendors.
10. AGRI is responsible for conducting investigations of domestic Seafood Processors that exclusively process aquatic plants, Fish Receivers and Fisher Vendors.

Table 1: Responsibility Matrix

	Activity to complete	Agency Responsibility	
		AGRI	RHA
1	Where violations of another party's mandate are observed in the normal course of duties; all Parties agree to communicate and record the observance to the party with jurisdiction	x	x
2	Inspect food service establishments and food retail premises that are co-located within the same facility as a domestic Seafood Processor and food service establishments		x
3	Inspect mobile fish retailers (other than fisher vendors selling from the harvest vessel to the public)		x
4	Inspect domestic Seafood Processors, including sport caught fish and cold storage facilities, requiring only Provincial seafood processing licenses.		x
5	Inspect fisher vendors	x	
6	Inspect fish receivers	x	
7	Inspect domestic Seafood Processors that process aquatic plants exclusively	x	
8	License all domestic Seafood Processors, fisher vendors, and fish receivers	x	
9	Investigate domestic Seafood Processors* (other than those processing aquatic plants exclusively)	x	x
10	Investigate domestic Seafood Processors that process aquatic plants exclusively, fisher vendors, and fish receivers	x	

\*Indicates a cooperative approach: BCHA lead with assistance from AGRI as required

**Ministry of Agriculture**  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
**with Richmond Farm Watch, November 2, 2017**

Ref: 187073

Date: November 2, 2017

**Issue:** Richmond Farm Watch would like to discuss the City of Richmond housing bylaw double what is recommended in the Minister's Bylaw Standard on size and siting of residential uses.

**Background:** Richmond Farm Watch (specifically called Farmwatch BC) is a volunteer run organization that states it is dedicated to protecting Agricultural Land Reserve (ALR) farmland from development. They are raising the issue that some ALR landowners are using agricultural land in Richmond for residential purposes where land is scarce. 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.

The City of Richmond has had a maximum building setback of 50m from the front lot line in place since 1994 which has helped to protect ALR land in that jurisdiction. Unfortunately, it was not proving adequate to protect land from the build of extremely large residences, and did not have any restrictions on placement of residential accessory buildings or other residential accessory uses (e.g. garages, tennis courts).

In January 2017, Richmond City Council directed staff to bring forward bylaw amendments to further control the size and siting of residential uses in the ALR. On May 17, 2017, Richmond City Council adopted bylaw amendments to include a maximum floor area for all residential buildings (the principal dwelling unit and residential accessory buildings), and a maximum farm residential footprint for all residential improvements (e.g., driveway, decorative landscaping, swimming pools, tennis courts). These amendments affect all properties that are zoned to permit residential development in Richmond's ALR including properties zoned "Agriculture (AG1)", and "Single Detached (RS1/FG)". Although City of Richmond staff originally proposed a house size limit of 500m<sup>2</sup>, which was consistent with the Minister's Bylaw Standard, opposition from some vocal members of the public resulted in Council amending that provision to 1000m<sup>2</sup> prior to adoption.

The Province has delegated decisions over land use (e.g., planning and zoning bylaw powers) to local governments through the *Local Government Act*. 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 residential size and siting bylaw development.

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Ministry of Agriculture  
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING**  
with Richmond Farm Watch, November 2, 2017

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**Suggested Response:**

- The City of Richmond has taken some positive steps forward by implementing further restrictions on size and siting of residential uses which will help to protect the ALR.
- The B.C. government is committed to revitalizing the ALR and the ALC, as this is one of my mandate letter commitments and is foundational to the success of Grow B.C. that will help farmers and ranchers access the land they need to grow food for the benefit of all British Columbians.
- I have heard the same concerns that you raise today about the challenges of housing on the ALR and anticipate this will be one of the key policy issues raised as we continue to discuss the future of the ALR.

**Contact:**

Alison Fox, Land Use Agrologist, Business Development Division, 604-556-3106  
Anna North, Corporate Governance, Policy and Legislation, 250-356-5814

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2014 onward productivity continued to decline, due to EFB-infected orchards, to production levels that appear to be about 2-3% of the historical average (i.e., a decline of about 97%).

The management program for EFB consists of monitoring for disease, pruning out infected wood and spraying fungicides. However, as currently grown varieties are very susceptible to EFB and many growers have not followed the recommended management program, EFB has progressed and many orchards are no longer productive.

The long-term solution to EFB in hazelnut production is to plant resistant varieties. Prior to 2013, the BC Hazelnut Growers Association (BCHGA) carried out a research program, with funding from the IAF, to locally propagate, test and evaluate the new Oregon-bred varieties in BC orchards. Data has been generated and the most promising varieties can begin to be planted commercially, though findings suggest that even disease resistant varieties are susceptible to EFB if the plant has sustained exposure.

The Plant and Animal Health Branch (PAHB) diligently pursued deregulation and an amendment to Canadian Food Inspection Agency's (CFIA) Directive D-00-03 Eastern Filbert Blight, *Anisogramma anomala* in order to allow for the import of disease resistant hazelnut tree stock into BC. CFIA returned their decision in July 2017 to deregulate meaning growers now have full access to Oregon variety stock.

The hazelnut industry is served by one processing facility in the Fraser Valley and is part of the supply chain into Oregon processors. A large portion of this production is exported to Oregon by truck and a smaller portion of the production is sold locally as value-added products (such as hazelnut butter and candy products such as chocolate coated hazelnuts).

In 2016 the BC Hazelnut Growers Association (BCHGA) provided a presentation (BCHGA Plan for Growth; see attached) to the provincial Finance Budget Consultation process. BCGHA identified 8 strategic priorities and made a request for \$111,350 to leverage other current funding at the time. It should be noted that this request *does not* include a hazelnut replant program.

Similar to the fruit industry, hazelnut producers and association are eligible and continue to access GF2 strategic initiative programming, AgriStability and AgriInvest but there is no product insurance available under the Business Risk Management Program. The Ministry of Agriculture, through GF2 and other means, has supported hazelnut growers to address EFB and production decline including the development of the:

- 2015 Industry Development Plan;
- 2016 Hazelnut Production Guide (draft); and
- 2017 Building Business Success budget guide for hazelnuts.

In mid-September, the industry is having a summer field day which AGRI staff will attend.

#### **First Nations Considerations:**

Based in Agassiz, the Sqewqel Development Corporation improves the Sqéwqel peoples social well-being by means of sustainable economy and viable economic initiatives that respect Stō:ló laws, culture and traditional values. They had 15,000 fully grown trees that were destroyed by the EFB about 5 years ago. They replanted their hazelnut farm in fall 2015 with 10,000 hazelnut trees and have subsequently found EFB on the new plantings.

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Contact: TJ Schur, Director, Industry Development, 250.387.7183

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