

ADVICE TO MINISTER OF AGRICULTURE

Date: October 8, 2019

Coastal GasLink – ALC decision, Vanderhoof camp

ADVICE AND RECOMMENDED RESPONSE:

- On October 1, 2019, the Agricultural Land Commission (ALC) declined Coastal GasLink's application for the use of land in Vanderhoof. Coastal GasLink applied to the ALC for permission to use land in the Agricultural Land Reserve (ALR) for the development of a 900-person temporary work camp.
- The ALR's priority use is for farming. Non-permitted, non-farming activities require permission from the ALC. The ALC is an independent tribunal whose legislated mandate is to:
 - preserve the ALR;
 - encourage farming of land within the ALR in collaboration with other communities of interest; and
 - encourage local governments, first nations, the government and its agents to enable and accommodate farm use of land within the ALR and uses compatible with agriculture in their plans, bylaws and policies.
- The ALC looks at many factors when carrying out its mandate and each application has its own distinct set of circumstances, and each is considered on its own merits.
- Persons affected by an ALC decision (e.g., the applicant, the district municipality or the local First Nations government) can ask the ALC to reconsider its decision. The ALC can reconsider a decision where:
 - evidence not available at the time of the original decision has become available, or
 - all or part of the original decision was based on evidence that was in error or was false.
- An applicant dissatisfied with an ALC decision may also apply to the BC Supreme Court for judicial review of a decision. The Government is unable to intervene with a decision of the ALC.

ADVICE TO MINISTER OF AGRICULTURE

BACKGROUND:

On October 1, 2019, the Agricultural Land Commission (ALC) declined Coastal GasLink's (CGL) non-farm use application to use 19.3 hectares (ha) of Crown Agricultural Land Reserve (ALR) property to build a temporary 900-person work camp.

The property requested for use by CGL is located adjacent to the Vanderhoof airport, on lands owned by the District of Vanderhoof. The location was offered by the District to meet CGL's needs for a large work camp.

The ALC unanimously refused the proposal, with the following rationale:

- CGL – the Applicant - did not provide evidence that the Proposal must be located on the Property within the ALR.
- the Proposal should not be located in the ALR if it can reasonably be located outside the ALR.
- the Applicant has not demonstrated that the camp needs to be located on the Property (as other potential sites outside ALR were not sufficiently considered).
- economic considerations are not contributory to the decision, and
- the proposed agricultural benefits stated by the Applicant do not outweigh the negative impacts to agriculture.

Agriculture/land use in the greater Vanderhoof area includes predominately medium to large scale parcels growing a variety of forage and grain crops produced for local cattle operations and marketing to the Cariboo, Bulkley Valley and overseas.

The area immediately surrounding the application area has multiple non-farm uses including: gravel extraction, church, former fertilizer plant, airport, golf course and fall fair grounds.

Ministry of Agriculture
BRIEFING NOTE FOR MINISTER FOR INFORMATION

Ref: 190928

Date: September 17, 2019

Title: Cost of Escalating Illegal Actions by Animal Activists

Issue: Trespass, break and enter and other animal activism tactics experienced by livestock farmers

Background:

- The Ministry continues to receive reports of invasions of livestock premises by animal activist groups.
- The most recent protest event occurred at Excelsior Hog Farms in B.C. on April 28, 2019.
 - Video footage confiscated by law enforcement from animal activists included images taken two months prior to the B.C. hog farm invasion of April 2019. The footage shows another farm and demonstrates that the activists entered at least two farms without authority, breached biosecurity of both farms, and created a risk of cross-farm disease contamination.
- Protest events which involve trespass and break and enter are biosecurity breaches, and may result in significant impacts to individual farms and commodity groups as a whole. Trespassers may intentionally or unintentionally introduce disease(s) that put a herd or flock at risk.
- Activist groups also employ post-invasion tactics affecting farm businesses and families. Actions include social media attacks, telephone harassment of farmers, and placement of derogatory signs on roadsides adjacent to the farm, or signage on public transportation.
- Farm families targeted by these groups are suffering emotional distress due to threats of personal assault and death and accusations of animal abuse. Farm families feel under attack, unsafe and helpless.
- These events are felt along the value chain as food processors have also experienced threats of violence and tactics to disrupt business continuity.
- An activist group recently pressured clientele to boycott a retail store if certain meat products were not removed. As a result, the retailer requested that the abattoir return and remove certain products from their shelves. Actions like this have a significant impact on producers/processors.

Discussion:

- This issue impacts all livestock and poultry sectors in B.C. and elsewhere.
- Activists groups are targeting and impacting abattoirs, food processors and retail stores.
- Unauthorized entry on farms by animal activists breach biosecurity protocols and place livestock at high biosecurity risk.
- Social media attacks and other harassment are experienced by farm families and employees.
- Farmers are becoming increasingly frustrated with law enforcement; protective actions against animal activists threatening a farm's livestock and business are perceived by farm families as insufficient and/or ineffective.
- Farmers are concerned over the potential of escalating tactics by activist groups.

Suggested Response:

- Ministry staff will be engaging with livestock stakeholders to identify Knowledge Transfer program speaker opportunities. Topics could include:
 - Identify who has authority, federal or provincial, over acts of protest on farms and food processors.
 - Identify the rights/actions/laws to prevent livestock from being removed from the farm by activists.
 - Discussion regarding farmers' rights/privacy laws during instances where farms and farmers are being videotaped knowingly or without knowledge.

Contact: Tom Droppo, Dairy / Swine Industry Specialist, Sector Development Branch, 604.852.2008

A/ED LB ADM AL DM WS

Ministry of Agriculture
**BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING CANADIAN PARKS
AND WILDERNESS SOCIETY AND WEST COAST ENVIRONMENTAL LAW**

Ref: 190995

Date: October 7, 2019

Title: Canadian Parks and Wilderness Society (CPAWS) and West Coast Environmental Law (WCEL) will be meeting the Minister of Agriculture.

Issue: CPAWS and WCEL have requested a meeting with Minister Popham to discuss their proposal for a renewed coastal strategy and legislation for the Province to consider adopting.

Background:

The B.C. coast is one of the Province's single most important assets. Home to most of our population, it is also home to some of the most important and productive ecosystems on earth. Ocean-based activities contribute \$17 billion annually to the B.C. economy and employ over 170,000 people in coastal communities (for comparison, BC's forestry and technology sectors contributed \$15.7B and \$14.6B respectively).

Management of coastal issues faces unprecedented challenges, including;

- Proposals for new oil ports and marine transportation corridors;
- Threatened fish stocks and marine mammals;
- Increased development and loss of public access to the coastline; and
- The need for emergency programs to deal with earthquakes, tsunamis, and the extreme weather events, storm surges and sea level rise caused by Climate Change.

Response to these challenges often falls short, because the coast is governed by a patchwork of federal, provincial, municipal and aboriginal agencies that largely do not cohesively co-ordinate regulatory efforts.

A number of environmental non-government organizations (ENGOS), including CPAWS and WCEL, have been calling on the Province to develop a more coordinated approach to oceans management, including the development of provincial legislation.

First Nations Considerations:

First Nations have significant cultural, economic, social and spiritual relationships with the B.C. coast and coastal resources. Many First Nations communities in B.C. are located on the coast or have historical ties to use of coastal geography. The fisheries and aquaculture sectors continue to have high First Nations participation, higher than the provincial average in other non-coastal industries.

Discussion:

Responsibility for managing BC's marine and aquatic environments is shared by federal, provincial, local and First Nations governments. Provincial jurisdiction includes the management of coastal lands, inland waters and seabed lying "between the jaws of the land" (i.e., bays, estuaries, inlets, fjords, channels, sounds). The Province's interests extend beyond legal authorities; however, to include a broad range of social and economic benefits that result from healthy marine and aquatic ecosystems. As a result, the Province plays an important role in many aspects of marine and aquatic management, including conservation and protection, economic development, energy, community planning and emergency preparedness and response.

Currently, accountabilities for fisheries and ocean-related issues and initiatives are distributed across the provincial government. Several provincial agencies play lead roles in delivering key aspects of this work, including the Ministries of:

- Forests, Lands, Natural Resource Operations, and Rural Development (integrated marine

planning, issuance of coastal tenures, freshwater fisheries management);

- Agriculture (e.g. seafood development, commercial fisheries and aquaculture policy, and provincial lead for the Canadian Council of Fisheries and Aquaculture Ministers (CCFAM)); and,
- Environment and Climate Change Strategy (aquatic invasive species, marine incident planning and response, marine protected area (MPA) management, compliance and enforcement).

Other ministries, such as Indigenous Relations and Reconciliation, Transportation and Infrastructure, and Energy, Mines and Petroleum Resources, also have interests in fisheries and ocean-related work.

s.12; s.13; s.16

Suggested Response:

- s.13

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Contact: Mike Turner, Senior Manager, IGR, Fisheries and Aquaculture, 778-698-3129

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Ministry of Agriculture
BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING

Ref: 191013

Date: October 22nd, 2019

Title: BC Ag Days discussion on agriculture and food production

Issue: To provide information on the state of agriculture and food processing in British Columbia for meetings with BC farmers and ranchers.

Background:

- Organized by the British Columbia Agriculture Council (BCAC), BC Ag Days is a series of scheduled meetings between BC farmers and ranchers, Cabinet Ministers, MLAs, senior government officials and other key stakeholders such as the BC Agriculture Land Commission (ALC).
- BC exported a record \$4.5 billion in agriculture and seafood products to 149 markets in 2018.
- Total agriculture and seafood exports were up almost ten per cent over 2017 following an eleven per cent increase in the value of agriculture exports and an eight per cent increase in the value of seafood exports.
- Agriculture contributed 69 per cent (\$3.1 billion) and seafood contributed 31 per cent (\$1.4 billion) to BC's export value total for the sector.
- BC's Top Five Export Markets in 2018: United States \$3.1 billion; China \$533 million; Japan \$224 million; South Korea \$73 million; and Hong Kong \$73 million.
- The fastest growing of the top 10 exports markets were Ukraine (109 per cent); Vietnam (39 per cent); Taiwan (28 per cent); and China (26 per cent).
- Top Five Exports: \$541 million in farmed Atlantic salmon; \$361 million in food preparations for processing and natural health products; \$243 million in blueberries; \$230 million in baked goods; and \$189 million in mushrooms.

Discussion:

- Our government is committed to providing opportunities for farmers to build business relationships around growing and serving BC's agricultural and seafood products.
- The Ministry of Agriculture is advancing opportunities for agriculture through a three-pillared strategy: GrowBC, FeedBC, Buy BC.
- GrowBC, FeedBC, BuyBC supports sustainable shared prosperity for a better BC by supporting BC's agriculture, seafood and food processing sectors, encouraging consumption of BC products and building resiliency within the sector.
- Agriculture is a key contributor to economic development and diversification and is a main contributor to rural economic development by supporting province-wide job creation. The agriculture and seafood sector creates economic and social benefits for Indigenous groups, has the potential to attract provincial investment and supports workforce development and skills training. Full list of supporting programs and initiatives is available in Appendix A.

Grow BC: Build sustainable production and help BC producers expand local food production

- Enhance services and supports to the agriculture food and seafood sector
- Ensure the future of the agriculture food and seafood sector by protecting the land base and animal, plant and human health

Feed BC: Build the availability, value and variety of BC Food

- Increase the use of BC grown and processed foods by large BC based purchasers such as government facilities
- Foster innovation and develop a food hub network to support food processing

BuyBC: Build consumer awareness and demand and help local producers market their products to grow their businesses

- Build and leverage a strong, recognizable BuyBC brand to help producers and processors expand sales and ensure consumers can easily identify local food and beverages
- Help producers and processors expand sales in priority export markets

Suggested Response:

- Local and international markets for sustainably produced and processed food continue to grow, and the BC government is investing in companies in our communities to take advantage of the demand.
- Many British Columbians enjoy the fresh and local produce and processed foods in BC and the BC government is supporting local producers to expand production, and reach BC customers through the initiatives under Grow BC, Feed BC, and Buy BC
- The BC government has programs to help producers and processors develop new technology, reduce their environmental footprint, and market their products to consumers in BC and around the world.
- Provincial staff have worked hard to launch initiatives and deliver programming to meet the needs of farmers, ranchers and agricultural businesses, big and small, across the entire province.

Contact: Lindsay Miles-Pickup, Program Analyst, 604-556-3057

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Appendix A:

Ministry of Agriculture Initiatives and Programs:

ALR Revitalization

The Ministry of Agriculture (AGRI) made recent updates to the *Agricultural Land Commission Act* (ALCA) and regulations (ALR Use Regulation; ALR General Regulation). These updates were part of a revitalization effort designed to better protect the ALR for farming purposes. This was achieved by providing the Agricultural Land Commission (ALC) with greater governance and enforcement tools, and by introducing flexibility for local governments to address non-farm use impacts while encouraging farming and ranching across the provincial ALR.

Canadian Agricultural Partnership

- Ministry staff have worked hard to launch initiatives and deliver programming under the CAP agreement to meet the needs of farmers, ranchers and agricultural businesses, big and small, across the entire province.
 - The first year of the Canadian Agricultural Partnership (CAP) has been launched successfully and is providing support and funding opportunities for BC's farmers, ranchers and agricultural businesses.
 - CAP is an outcomes-based agreement that represents a five-year, \$3 billion investment in agriculture, agriculture food and agri-businesses across Canada that was launched on April 1, 2018.
 - This agreement represents \$400 million to BC's farmers, food processors and agri-businesses. For every \$1 the Province invests, it leverages \$1.50 from the federal government for our sector.
 - CAP sets out the parameters and funding for a national set of business risk management programs.
 - CAP also funds strategic initiatives (industry programs) focused on six priority areas:
 - Markets and Trade
 - Science Research and Innovation Capacity
 - Risk Management
 - Environmental Sustainability and Climate Change
 - Value-Added Agriculture and Agriculture Food Processing and Public Trust
 - CAP also enables the fulfillment of commitments under GrowBC, Buy BC, Feed BC, as well as to expand interprovincial and international markets for farmers, ranchers and agri-businesses in the province.

Ministry Programs

Agri-Skills Workshops, Webinars & Resources are available to improve business management skills and capacity of producers and processors. This program has a specific focus on building capacity of new entrants and scale-scale producers and processors.

The Knowledge Transfer Events Program supports industry activities that contribute to and improve the competitiveness, innovation and resilience of BC's agriculture and agricultures sector. The funding facilitates knowledge and technical transfer to strategically support BC's producers and processors to innovate and adapt to changing environmental, production, and market conditions

The BC Land Matching Program (BCLMP) provides land matching and business support services to new farmers looking for land to farm as well as landowners interested in finding someone to farm their land. The benefits of land matching are hands on, personalized support services to new farmers and landowners to better understand regulations, evaluate opportunities, access resources, and ultimately find a land match partner.

The BC Agri-Business Planning Program supports specialized business planning to enable producers and processors to make more informed decisions and strengthen their business.

The BC Indigenous Agriculture Development Program identifies and supports the development of agriculture and agriculture foods opportunities within Indigenous Communities, Tribal Councils, and Economic Development Corporations.

The BC Lean for Food Processors Program supports a continuous improvement philosophy that was originally developed to increase efficiency and reduce waste. Lean practices and tools identify problems and create solutions through improved business processes.

The Buy BC Partnership Program supports industry-led marketing campaigns in the domestic market and provides licenses to eligible BC businesses and associations to use the Buy BC logo on product packaging and promotional materials.

The BC Agriculture and Seafood Market Development Program supports marketing skills training, market research, market development planning, the development of export-focused marketing materials and participation in international tradeshow and events.

The Hazelnut Renewal Program provides funding to remove infected trees to mitigate the spread of Eastern Filbert Blight and to incentivize the planting of new disease-resistant hazelnut trees in British Columbia. The Hazelnut Renewal Program will be accepting applications from March 30 to July 15, 2019 (fall planting/removal 2019-2020).

BC Tree Fruit Replant Program assists with cash flow deficits during the establishment period for new high-value varieties and modern planting practices. The Program provides financial support for growers to replace fruit trees with varieties that will meet consumer demands for high-value, high-quality BC fruit.

The Fisheries and Aquaculture Clean Technology Adoption Program assists industry-driven adoption or adaptation of market ready clean technologies, processes, and/or sustainable practices into the day-to-day operations of aquaculture facilities, wild capture harvesting, and fish and seafood processing establishments in order to improve their environmental performance.

The Canadian Fish and Seafood Opportunities Fund promotes market access and development for the fish and seafood industry for initiatives that are national in scope. The \$43 million national program will support the fish and seafood sectors by encouraging industry collaboration to promote high quality products. Program runs until March 31, 2024.

BC Salmon Restoration and Innovation Fund targets salmon habitat protection and restoration as well as ensuring the fish and seafood sector in BC is positioned for long-term environmental and economic sustainability. The fund is valued at \$142 million over five years, including a \$5 million grant to the Pacific Salmon Foundation Endowment Fund in 2018/19.

- The provinces contribution is \$42.85 million over five years beginning in 2019/20, plus an additional matching \$5 million one-time grant to the Pacific Salmon Foundation in 18/19.

Seed Supply and Climate Change Adaptation: The BC government provided \$200,000 to partner with the BC Shellfish Growers Association (BCSGA), Vancouver Island University, and the Hakai Institute, to create the Ocean Acidification Shellfish Industry Seed Supply (OASISS) and Baynes Sound Environmental Intelligence Collaboration (BaSEIC) projects to address local seed supply and climate change monitoring and adaption to increase the long term stability and competitiveness of BC shellfish aquaculture producers.

BC Oyster Recovery Fund: The \$1.3 million fund, announced in June 2018, supports the stability of the sector through oyster stock re-seeding efforts. Additionally, the funding will support a pilot research survey that will monitor the travel patterns of pathogens of public health concern through Baynes Sound and initiate research for the potential development of an early-warning system for pathogen transfer and a shellfish communication plan to raise awareness about BC oysters and educate the public and stakeholders along the value chain about oyster handling as well as real and perceived risks from shellfish food-borne illness to build food literacy.

Pacific Integrated Commercial Fisheries Initiative (PICFI): This is a federal fund managed by Fisheries and Oceans Canada (DFO) that provides direct support to eligible First Nations to develop commercial fisheries capacity and increase access to commercial fishing in the Pacific Region. The PICFI Aquaculture Development Source was created to provide direct support to First Nations to develop sustainable aquaculture operations. A total of \$600,000 is available in 2018/19.

- To date the province has provided \$25,000 towards the development of shellfish aquaculture in partnership with First Nations on the North Coast.
- Contribution from DFO (\$323,000), First Nation (\$130,000), representing excellent leveraging of funds (i.e. each provincial dollar was matched by \$18 in Federal and Industry dollars.).

AgriTech

The Ministry of Agriculture launched the *AgriTech Challenge* in partnership with Innovate BC. The federal and provincial government-funded Challenge is offering a total of \$150,000 in support for made-in-BC technology solutions for three defined challenge categories.

The Ministry of Agriculture works collaboratively with BC's agriculture and seafood industries to improve the sustainability and security of BC's food supply by improving production methods and ensuring the highest standards in animal care and food safety. The Ministry, in partnership with Innovate BC, presents the Agritech Innovation Challenge, a process to identify the best technology to solve big business problems. The fund will support using science and knowledge to be put into practical use to solve problems or invent useful tools and solutions that serve the needs of the Province's agriculture, agrifood and seafood industries.

BC Food Hub Network

The BC Food Hub Network is an evolution of the Minister's Mandate Letter commitment to "Work with growers, processors, colleges and universities, as well as the Minister of Advanced Education and the Minister of State for Trade, to develop a BC Food Innovation Centre to innovate in the processing, packaging and marketing of BC food products, linking local food producers with new technology, and expanding exports and access to world markets."

The BC Food Hub Network model is being developed with support from industry, communities and post-secondary. It is an innovative approach, unique to BC, and intended to build provincial food and beverage processing while serving the regional and agriculture food sector diversity of the Province.

CLIFF#: 191045

**Client / Writer: For Minister for Meeting With
United Fisheries and Allied Workers Union
(UFAWU)**

Bullets prepared by: Mike Turner

Date prepared: October 11, 2019

Main issues: To address UFAWU's request for disaster relief funding for the commercial salmon fishing sector, given the poor returns of salmon stocks in 2019. Last revised ():

- **As you are aware, the 2019 salmon season has been difficult for a number of sectors.**
- **I want to assure you that I have heard your concerns and remain committed to working with both my provincial and federal colleagues to help address the issues you have raised.**
- **As a government, we have taken a number of actions so far to address the immediate impacts regarding the lack of harvest opportunity and the request for relief funding:**
 - **I have been in contact with Minister of Fisheries, Oceans and the Canadian Coast Guard Jonathan Wilkinson and he has assured me that the Department of Fisheries and Oceans is working to find solutions within their areas of jurisdiction regarding the 2019 salmon season, and beyond.**
 - **Additionally, on August 20th my colleague, Minister of Social Development and Poverty Reduction, Shane Simpson, the provincial lead on providing British Columbians in need with a system of supports to help them, wrote to his federal counterpart, Minister of Employment, Workforce Development and Labour Patricia Hajdu, to strongly encourage the federal government to provide targeted assistance to the sector. I have been informed he is following up on that request soon.**
- **The B.C. government is also investing heavily in wild salmon restoration to work towards ensuring salmon seasons like 2019 do not become the norm:**
 - **We have partnered with the federal government to establish the \$143 million B.C. Salmon Restoration and Innovation Fund to focus on projects on innovation, infrastructure and science partnerships to ensure that B.C.'s wild fisheries are environmentally and economically sustainable.**
 - **The fund will help protect and restore priority wild BC fish stocks, including Pacific salmon.**
 - **We have also provided \$5 million contribution to the Pacific Salmon Foundation to help support their science, conservation and habitat restoration initiatives for wild salmon.**
- **I remain committed to advocating for our fishing industry and will continue to work with the industry on protecting and restoring salmon habitat and ensuring the fish and seafood sector in British Columbia is positioned for long-term environmental and economic sustainability.**

Ministry of Agriculture
BRIEFING NOTE FOR DEPUTY MINISTER FOR INFORMATION FOR MEETING
WITH MLA BOB D'EITH

Ref: 191051

Date: October 25, 2019

Title: Meeting request from MLA Bob D'Eith (Maple Ridge – Mission) to discuss Tantalus Labs cannabis production facility.

Issue: The residents of Whonnock have concerns associated with cannabis production at Tantalus Labs.

Background:

- Since 2015, Tantalus Labs has produced cannabis at their 75,000 square foot purpose-built greenhouse facility on land in the Agricultural Land Reserve (ALR) in Whonnock.
- In 2019, Tantalus Labs was issued a building permit by the District of Maple Ridge to expand their facility by approximately 50,000 square feet.
- Cannabis is a permitted farm use in the ALR that may not be prohibited by local and treaty First Nation governments if grown in accordance with production methods listed in the Agricultural Land Reserve Use Regulation (Regulation).
- Growing and producing cannabis is considered a farm operation under the *Farm Practices Protection (Right to Farm) Act* (FPPA).
- The FPPA gives farm operations practicing 'normal farm practices' protection from complaints from neighbours and against local government nuisance (i.e. odour, light, noise, etc.) bylaws.
- The British Columbia Farm Industry Review Board (BCFIRB) is an independent administrative tribunal that hears complaints from persons aggrieved by nuisances from farm operations.
- Odour control associated with cannabis production facilities is addressed through the Federal Cannabis Regulations, which requires that buildings associated with cannabis production must be equipped with a system that filters air to prevent the escape of odours.

Discussion:

- Even prior to construction in 2015, nearby residents were expressing concerns about the proposed cannabis facility, including the disposal of cannabis plants, groundwater aquifer depletion and, more generally, about cannabis production as a permitted farm use in the ALR.
- Since Tantalus Labs commenced production, the facility has been the subject of numerous farm practice complaints (i.e. odour, light, noise, etc.) from local residents.
- These complaints have resulted in multiple visits to the facility by bylaw enforcement officers from the District of Maple Ridge (District).
- In response to complaints to the District's bylaw enforcement department associated with light emanating from Tantalus Labs, the company deployed additional shade infrastructure in spring 2019. They also installed noise muffling infrastructure in response to complaints regarding the noise from their generators.
- Tantalus Labs employs sophisticated odour control technologies that have been approved as compliant by Health Canada. Inspectors from Health Canada, the British Columbia Ministry of Environment and Metro Vancouver Air Quality Bylaw Department have all visited the facility and did not detect cannabis odour at the Tantalus Labs property line.
- Tantalus Labs obtained a groundwater license in November 2016. However, the facility utilizes an innovative rainwater recapture system to irrigate their crops, which has allowed them to withdraw minimal quantities of water from the groundwater aquifer.
- Tantalus Labs is widely viewed as a model cannabis production facility for its innovation in optimizing plant health and its environmentally sustainable cultivation practices.

- In 2018, the Ministry contracted a cannabis specialist to help build staff capacity and knowledge about cannabis. Due to its reputation as a model production facility, the specialist identified Tantalus Labs as an optimal facility for ministry staff to tour.
- In fall 2018, approximately 25 ministry staff toured the facility. Subsequently, Agricultural Land Commission staff and the full Commission also conducted a tour of Tantalus Labs to view the facility and learn about their innovative practices.

Suggested Response:

- Cannabis is a permitted farm use in the Regulation and is considered an agricultural crop not dissimilar to other plants.
- Growing and producing cannabis is considered a farm operation under the *Farm Practices Protection (Right to Farm) Act*. This Act gives farm operations practicing ‘normal farm practices’ protection from complaints from neighbours and against local government nuisance bylaws.
- Persons aggrieved by odour, noise, dust or other disturbances arising from farm operations can submit a complaint to BCFIRB.

Contact: s.15; s.19 Land Use Planner, s.15; s.19

DIR/MGR WM ED EBH ADM AL DM WS

Ministry of Agriculture
BRIEFING NOTE FOR MINISTER FOR INFORMATION FOR MEETING
with MLA John Martin

Ref: 191107

Date: October 23, 2019

Title: Meeting Request re: News Worthy Pumpkin Patch

Issue: The Agricultural Land Commission (ALC) has rejected an application from a Chilliwack farm to continue using their existing permanent structures for agri-tourism events.

Background:

- s.22 are the owners of s.22 in Chilliwack and run several agri-tourism events, including s.22 s.22
- A complaint was made about this farm to the City of Chilliwack regarding non-compliance with ALC restrictions on the use of permanent structures for agri-tourism purposes. Their agri-tourism business includes greenhouses that are considered permanent agriculture buildings which have been used for several agri-tourism events.
- Following a request from the City of Chilliwack's planning staff, ALC staff visited the site and informed the s.22 that they were not consistent with the *Agricultural Land Commission Act* (ALCA) and would need to apply for a non-farm use. The s.22 s.22 filed an application with the ALC to allow their permanent structures and buildings, including a 465 m² (5000 ft²) greenhouse and a 28 m² (300 ft²) 'haunted house', to be used for non-farm use for special events and weddings. This application was rejected by ALC on April 17, 2019 (see the attached ALC decision package for more details).
- The City of Chilliwack sent a letter to s.22 on October 4, 2019 requesting they cease the use of their permanent structures for agri-tourism events.

Discussion:

- A key component to the decision by ALC was the fact that the property owned by the s.22 s.22 s primarily used for agri-tourism with very little agricultural production occurring on it. The adjacent parcel, where most of the agricultural production occurs, is leased by the s.22 on a short-term lease. The ALC found no future guarantee that the agri-tourism activities on the parcel they own would remain related to the agriculture production occurring on the leased adjacent property.
- ALC also determined that the greenhouse, propagation house and "Shipping Room House" on the property at s.22 are not primarily used for farming and are underutilized for the purposes of agriculture. The use of this permanent structure for agri-tourism was also deemed to conflict with regular agricultural operations and reduce the utility of the structures for agriculture.
- ALC found that there were approximately 58 additional events being held per year above the ten allowed under the ALCA and Regulations and that these additional events were reducing the opportunity for regular farm operations to occur on the property. They reminded the applicants that agri-tourism is required to be ancillary to a farm operation.
- The proposal as submitted to ALC does not comply with the City of Chilliwack zoning bylaw and therefore would have required further approvals from the City if it had been approved.
- It is likely that significant upgrades to the existing buildings and structures would be required to bring them up to the building code for public assembly. These building code regulations are intended to protect public safety.

Suggested Response:

- The regulatory changes that prohibit the use of permanent structures for agri-tourism were made by the previous BC Liberal government in 2016.
- ALC is an independent tribunal and the Minister cannot interfere with its decisions.
- The refusal of the non-farm use application does not preclude the applicants from conducting agri-tourism operations and gatherings for events that comply with the ALCA and Regulations.
- The greenhouses were likely built to meet the National Farm Building Code but are likely not built to an appropriate code for assembly use. If this is the case, there may be safety and liability issues with using these structures for agri-tourism events.
- While the Province is supportive of agri-tourism and other means of diversifying farm income, it is important for the agriculture sector that these businesses follow the proper regulatory channels to protect farmland, reduce liability to the farm and ensure the safety of families attending these events.
- We are currently seeking feedback on ALR revitalization changes. We encourage the ^{s.22} family to participate in this engagement and share their personal story by visiting:
<https://engage.gov.bc.ca/supportingfarmers/>

Contact: Jason Lussier, Regional Team Lead (Coast), 604 556-3144

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Ministry of Agriculture
BRIEFING NOTE FOR MINISTER FOR INFORMATION

Ref: 191109

Date: October 23, 2019

Title: Review of article: “The Myths of Local food Policy: Lessons from the Economic and Social History of the Food System” by Fraser Institute Senior Fellow Pierre Desrochers published on October 8, 2019.

Issue: Desrochers argues policies and programs that aim to increase local food production and consumption are largely unsuccessful in their goals and instead create more expensive food, increase environmental damage, and are more hazardous to human health.

Background: Desrochers article argues that policies and approaches to increasing local food production and consumption have been wholly unsuccessful or problematic because they have re-created the same problems that historically hastened the development of modern agricultural production practices and of the globalized food supply chain. The reviewed article is a shortened version of a larger 100-page report. The main thrust of the author’s argument relies on debunking five perceived myths around increasing local food production and consumption. The five myths are:

1. Locavorism nurtures social capital: the author states that the promotion by locavores that “direct connections between final consumers and local food producers mend local community ties” that had been removed through modern agricultural practices. However, Desrochers argues that modern food practices generate “much social capital,” using the examples of teenagers working part-time in grocery stores and coming into contact with the “complexity if the food system and the diversity of customers.” As well, Desrochers argues that the intermediaries in conventional food supply chains create value through lower costs, greater convenience, and less waste.
2. Locavorism promotes economic development: Desrochers suggests that the argument put forth by locavores that the generation of local food production and consumption increases local economic activity and money within the community as opposed to some distant corporate headquarters is incorrect. Specifically, the author states that in a market economy, retailers will *always* display local food it offers the “best quality/price ratio.” However, as the author states, as the high-cost of local food production does not offer the best ratio, so these foods are limited to middle- and upper-middle class consumers.
3. Locavorism is tastier, more nutritious, and safer: The author argues that local food system supporters claim that locally produced food is safer, tastier, and more nutritious than items that have travelled long distances from central processing facilities is incorrect due in part to the major advances in the preservation and transportation of food in the 19th century. Desrochers argues that there is no correlation between freshness and nutritional value, but there is correlation between long-distance trade and year-long availability of fresh produce. Furthermore, he argues that the modern food system is the safest in human history and that large supermarkets are inherently safer than farmers markets.
4. Locavorism increases food security: The author states that locavores argument that local food production is more dependable than foreign suppliers in times of economic and political crisis and a diversified local agriculture is less likely to succumb to pests and diseases than monoculture is incorrect. Desrochers instead states that historically the diversification strategy of subsistence agriculture communities was always doomed to the fact that all of the crops were in one regional location. He notes that in fact it was long-distance trade coupled with the shuffling of surplus harvests in one region to other regions with shortfalls that bolstered food security.
5. Locavorism heals the Earth: The author posits that the locavore argument that because regionally produced and processed food travel shorter distances between final producers and consumers creates less GHG emissions is wholly incorrect. Instead, stating that the notion of “food miles” is an unhelpful indicator of environmental sustainability when not considering the mode of travel and the intensity of local production relative to globalized production.

Discussion: The article and larger report examines policies and philosophical arguments around
s.13

Throughout much of the article, the author offers little in the way of concrete evidence for his viewpoint outside of applying historical arguments and tenuous reasons, such as teenage grocery store workers feeling connected to the global food chain because of where they work, for why modern agricultural practices and global supply chains are superior. s.13
s.13

Additionally, the author's perspective is presented without an unbiased comparative analysis of supply chain structures. For example, lower consumer costs of products in globalized supply chains are often afforded due to high externalities (price, environmental, social) and economies of scale of large industrialized supply chains. s.13
s.13

While the article essentially acts as an opinion piece for the larger policy report a cursory examination of that report appears to follow a similar reliance on a narrow economic analysis of "locavorism" without considering the other important reasons for increasing local food production and consumption. However, without a deep-dive into the larger policy report it is difficult to answer or refute any of the authors claims.

Summary:

- Senior Fellow at the Fraser Institute Pierre Desrochers article and policy report argues policies and promoters of increasing local food production and consumption worldwide have mainly failed in their attempts.
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Contact: Kevin Sage, Policy Analyst, 778-974-3845

ED DT ADM JM DM WS

Ministry of Agriculture
BRIEFING NOTE FOR MINISTER FOR INFORMATION

Ref: 191110

Date: October 17, 2019

Title: Supporting BC Farmers Engagement and the Agricultural Land Reserve (ALR)

Issue: Early themes being heard at the new public engagement occurring between September 19 and November 15, 2019.

Background: The Ministry of Agriculture has revitalized and streamlined the *Agricultural Land Commission Act* (ALCA) and its regulations, the ALR Use Regulation and the ALR General Regulation, to better protect ALR land for farming by providing the ALC with greater governance, enforcement tools, and flexibility to address impacts of non-farm use, all of which will encourage farming and ranching.

Revitalization of the legislative and regulatory framework for the ALR and ALC, including the streamlining of the ALCA and regulations proceeded quickly. Through the initial phase of revitalization work the Ministry heard that some stakeholders (internal and external) felt they did not know what was coming and did not feel as though they had adequate time to provide input. Establishing an ALR engagement strategy that has three tracks: establishing an ALR Steering Committee and ALR Technical Review Committee; public engagement; and improvements to communication and information dissemination; will provide a process that will improve consulting and engaging with stakeholders.

Track two, the current public engagement, provides an opportunity for the Ministry to hear specific issues and determine if there are ways to address the issues while maintaining the underlying principle of protecting the agricultural land reserve for farming and ranching. It asks British Columbians how best to move forward on three topics:

- Support farmers and ranchers in the ALR to expand and diversify their businesses;
- Help new or young farmers become established on the land and in business; and,
- Ensure there is flexibility for residential options while prioritizing agriculture in the ALR.

The feedback comes from online feedback submissions, written submissions and from in person, public meetings. From launch to October 10th there have been a total of 3,549 site visits and 1,016 online feedback submissions. Public sessions have been completed at Merville, Delta, Dawson Creek, Prince George, and Kelowna. Upcoming sessions that will be complete before November 15 include: Castlegar, Cranbrook, Kamloops. Additional bilateral meetings with sector associations (e.g. BCAC, Wine Island Growers Association), an academic roundtable, and the Farmers Institute Gathering will occur after the November 15 public engagement closes and will focus on validating themes and forward planning specific issues.

As is the case with any engagement research, there are limitations. The sample used in this research is based on self-selection which is inherently biased. As such, the results of the submissions cannot be used to make statements about the opinions of all or most British Columbians, farmers, or any other specific group of people. Furthermore, the severity of each issue will not be assessed because individuals are able to make multiple submissions. A “what we heard” report will provide a summary of the issues and recurring themes and will be published in early 2020.

First Nations Considerations: Seven First Nations are members of the Union of BC Municipalities (UBCM). Ministry engagement with UBCM would apply to these First Nations. First Nations who have or will receive fee simple land transfers through negotiations with the Province, and all other First Nations who have title interests in areas covered by the provincial ALR designation are also relevant stakeholders.

Discussion: To date the following ideas/themes have been heard:

THEME 1: ALR RESIDENCES

- Secondary housing for family and farm workers is necessary. Farming is taught from the previous generation and there needs to be housing for aging farmers on the farm, so they can teach the next generation. There are also various farm workers who contribute to the farm (some full time some part time) and there needs to be housing on the farm for these people as well.
- Farmland is expensive and having a secondary residence to rent out is needed to help generate more income for the farmer/farming family. Others however stated that housing on the ALR should only be used for those who are contributing full time to the farm.
- Various respondents suggested using the Home Plate strategy whereby there is a maximum percentage of the land that can be covered with hard surfacing which can be used to build whatever the land owner feels necessary to farm (multiple residences, a business, a barn, a parking lot etc.)

THEME 2: ALR DIVERSIFICATION

- There were mixed viewpoints on the diversification into value-add economic opportunities for farmers on the ALR. Some respondents felt strongly that ALR land should only be used for primary production of food (not supportive of greenhouses, cannabis growing).
- Other respondents felt strongly that farming alone is not an economically viable option and farmers need to be able to diversify by selling value added products, allowing food service not linked to alcohol, hosting events (weddings, educational tours etc.), renting a room/house (bed and breakfasts).
- In the north and interior comments were made about foreign investment in ALR, problems with sharing ALR with oil and gas users; lack of agriculture focus and management of crown owned ALR.
- General suggestions were heard regarding revisiting the 2015 agro-tourism rules, reduce expenses for farmers (e.g. transportation of feed, fuel, labour), continue working on the oil and gas issue, improve the relations and the use of ALR with other crown users of ALR (e.g. Forests, Lands, Natural Resource Operations and Rural Development, Energy Mines and Petroleum Resources, and Indigenous Relations and Reconciliation); revisit ways to monitor and manage foreign investment.

THEME 3: REGIONAL/GEOGRAPHIC SPECIFIC REGULATIONS

- Many respondents referred to how different the various regions in B.C. are and how blanket rules were not effective. There are different issues in different regions and some regulations (mainly Bill 52 was mentioned) was viewed as necessary in some regions and not in others.
- General suggestions in this theme focused on residential and non-farm uses in areas where ALR parcels are very large, versus areas of the province where there is an abundance of smaller parcels and a pressure for residential and other value-added uses for people to be able to afford the land.

THEME 4: REGULATORY BURDEN

- Many of the submissions spoke to the feeling of farmers being overregulated and not being allowed the opportunity to use their creativity and discretion in advancing their farm business. There are various “hoops” people feel they need to jump through with the ALC which create barriers—where people would like to see incentives instead.
- Feedback was varied and included many issues and complaints that are outside the Ministry’s mandate: water licencing/water use do not fit farming; changes to labour laws; employer health tax; the level of complexity to do business makes it hard for small farmers to keep up.

Based on the early analysis of the engagement feedback, and in conversations with the ALC, and people who have attended the public engagement sessions a potential plan is being formulated that will need to be discussed.

Date Due	Item, description, and milestone dates
December	Bill 15 implementation regulations <ul style="list-style-type: none"> Amending Agricultural Land Reserve General Regulation Nov 4, 2019 – Final and complete package due
December / January	Publish “What we heard report” <ul style="list-style-type: none"> Dec 6 – 11 – first full draft and initial revisions Dec 16 - final draft submitted for approval Minister statement on policy direction/priorities moving forward
February 22	s.12; s.13
February (early actions)	
March – ongoing	

Next steps:

- Finish public engagement sessions in Castlegar, Cranbrook and Kamloops.
- Hold a bilateral meeting on specific ALR topics with BCAC.
- Conduct a Supporting BC Farmers academic roundtable on November 28.
- Participate in the Farmers Institute Gathering on November 29.
- Finalize ‘what we heard report’ and prepare a recommended plan of action based on the cumulative results of the public engagement.

Contact: Anna North, Manager, Intergovernmental Relations and Trade, 778-698-7941

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Annex A – Additional information on potential early options

s.12; s.13

**MINISTRY OF ATTORNEY GENERAL
ASSOCIATE DEPUTY MINISTER'S OFFICE
BRIEFING NOTE**

PURPOSE: For INFORMATION for Attorney General David Eby

ISSUE: Appeal from BTAP members and owner of Okanagan Spirits Craft Distilleries regarding its conversion to a commercial distillery.

SUMMARY:

- Okanagan Spirits Incorporated (Okanagan Spirits) owns two Craft Distilleries in the Okanagan Valley which operate under two separate craft distillery sales agreements issued by the LDB. One is located in Vernon (OKS Vernon), and the other is located in Kelowna (OKS Kelowna).
- In fiscal 2016/17, OKS Kelowna was selected for compliance audits following industry complaints that all production was completed at OKS Vernon leaving OKS Kelowna as merely a retail store.
- The audit found issues at both locations and Okanagan Spirits has addressed many of them but requested LDB permit them to “grandfather” their non-compliant practice of only conducting first distillation at OKS Kelowna, and then shipping the spirits to OKS Vernon for second distillation (also known as high proof or final distillation).
- LDB’s regulatory department has determined that LDB must continue to uphold that all fermentation and distillation must be done on-site in accordance with the craft distillery criteria. As a result, OKS Kelowna will need to be converted from Craft Distillery to Commercial Distillery status on December 31, 2019 (three months since notification from the LDB regulatory department). Due to common ownership with OKS Kelowna, OKS Vernon will also be converted from Craft Distillery to Commercial Distillery status.
- s.22
s.22 has corresponded his displeasure through several letters to the Minister (Aug. 1, Sept. 17, and Oct. 7) requesting a decision change or deferral.
- On Oct. 21, 2019, the Business Technical Advisory Panel (BTAP) also corresponded their concerns correlating this situation to their recommendation 15 and 16 “to ‘undertake an immediate and comprehensive omnibus review of (such) support programs with a view to creating a more rational and equitable approach to defining what a local product is and for harmonizing support for those products’ with a focus on creating a fair and equitable balance between the three major pillars within the alcohol sector: wine, beer, and spirits”.

BACKGROUND:

- In fiscal 2016/17, the LDB Regulatory team conducted a compliance audit of Okanagan Spirits Incorporated that found two major non-compliance issues, the first relating to records-keeping and the second relating to parts of the distillation process

being conducted off-site. With respect to the second issue, LDB's Regulatory team found:

- During the period of April 2016 to September 2016, all grain and fruit-based spirits were fermented at OKS Vernon before being transferred to OKS Kelowna for the first distillation. After the first distillation was completed, the alcohol was transferred back to OKS Vernon where it was combined with OKS Vernon first distillation batches. The mixed batches were then redistilled and further production processes completed at the OKS Vernon facility before final packaging or storage in barrels for aging.
- From September 2016 and onwards, OKS Kelowna began to purchase unfermented wort from Tree Brewing and fermented the wort onsite to produce grain-based spirits. The first distillation was performed at the OKS Kelowna facility, then alcohol was transferred to OKS Vernon for second distillation (which may mix OKS Kelowna and OKS Vernon batches) prior to final packaging or storage in barrels for aging. There were no records of any fermentation or distillation being performed onsite for fruit-based spirits.
- The initial compliance audit letter was sent on October 9, 2018. As per the LDB regulatory department's normal practice, Okanagan Spirits was asked to develop a plan to address non-compliance issues.
- Okanagan Spirits has developed a plan to address the first issue related to records keeping. However, Okanagan Spirits has not and will not address the second issue and has asked LDB to accept it as a "grandfathered" practice.
- The LDB regulatory team has tried to work with Okanagan Spirits to find a way for OKS Kelowna to become compliant but has not had success:
 - Following an October 19, 2018, conference call, Okanagan Spirits sent a response letter (dated November 5, 2018) that argued for LDB to accept their current practice as compliant, asserting that LDB should treat the two distilleries as one for "operational purposes" since they are considered a single entity for annual production limits. The letter admits that fire zoning requirements prohibit OKS Kelowna from conducting second distillation onsite, as they cannot possess raw alcohol above 40% alcohol by volume. However, they assert second distillation is not an essential step as it is "technically not 'producing' alcohol", but "merely removing water from it." Further, they claim to have utilized the same distillation practices since 2011, and that the LDB audited Okanagan Spirits in 2013 and "gave the green light" to continuing these practices.
 - The LDB regulatory department sent an email on December 4, 2018, requesting OKS Kelowna consider revising their plan, as "the LDB must apply the same standards across the board and allowing the second distillation to occur at another location is a deviation from the standards for other Craft Distilleries in BC."
 - On December 17, 2018, Okanagan Spirits sent a second response that offered no revised plan for OKS Kelowna, and instead requested LDB

- “grandfather” the practice. In the second response letter, Okanagan Spirits emphasizes their business investments since LDB’s 2013 audit, and states that if converted to a commercial distillery, they would be forced to close. The letter also references the BTAP Report, asserting that government may soon make changes to implement recommendations, including the recommendation to balance inequities among liquor manufacturers in BC, which, they imply, would include a new sales agreement for craft distilleries.
- The LDB regulatory team has clearly stated to Okanagan Spirits in letters, emails, and conference calls that if they cannot develop a plan to become compliant, they will be converted to commercial distillery status.
 - BTAP’s October 21, 2019 letter to Minister Eby states that their concern of no ministerial intervention contradicts the spirit of work underway on implementing the BTAP recommendations.

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DISCUSSION:

- In their November 5, 2018 response letter, Okanagan Spirits characterizes second distillation as not technically “producing alcohol”.
 - Technically, none of the distillation processes produce alcohol. Alcohol is produced by fermentation, distillation merely concentrates the alcohol. First distillation is intended to stabilize the resulting alcohol from further fermentation and spoilage.
 - To make vodka, gin or whiskey, which are all produced by Okanagan Spirits, subsequent distillations are required to remove the heads and the tails. Second distillation produces the refined alcohol intended for consumption. Okanagan Spirits invested in a large still at their OKS Vernon because second and subsequent distillations are what produce higher quality product.
 - Therefore, the LDB cannot consider the first distillation enough to satisfy the requirements of the Craft Distillery Criteria, which specifies that all “product” be fermented and distilled on-site. In the criteria, “product” is defined as “Liquor manufactured by you at your Licensed Establishment to its final,

- finished, saleable state intended for consumption, whether in bulk or packaged form, ready for purchase, all of which must meet the criteria set out in Appendix C”.
- Okanagan Spirits is the only manufacturer in BC that owns two craft distilleries, and therefore the only craft distillery that may be able to conduct part of the distillation process at a secondary site that is owned by the same manufacturer.
 - OKS Vernon and OKS Kelowna were established in 2011. Okanagan Spirits is a founder of the BC Craft Distiller’s Guild, originally the BC Artisan Distiller’s Guild, which originally pushed for changes to the 2010 Craft Distillery Policy, resulting in the 2013 Craft Distillery Policy that both tightened the Craft Distillery Criteria and greatly expanded the benefits.
 - As stated in the Craft Distillery Criteria, if the distillery that is under common ownership with another distillery, the combined production of all distilleries will be used to determine compliance with production limits. The Craft Distillery Policy is intended to support small craft distilleries in BC. The purpose of this clause is to close any potential loophole whereby a manufacturer could become a large distiller but still qualify for craft distillery benefits by operating multiple craft distillery licenses.
 - LDB did conduct an audit of Okanagan Spirits in 2013, which did not identify any compliance issues with the 2013 Craft Distillery Policy.
 - The audit that occurred in 2013 was a pre-qualification review. The audit included proving that 100% of agricultural inputs were from BC, taking pictures of equipment, verifying that the manufacturer had not purchased NGS, and the manufacturer confirming that all 2013 Craft Distillery Criteria had been met, including that all product was fermented and distilled onsite, by signing a declaration. This review is conducted for all new craft distilleries and a full audit is conducted one to three years after. The full audit also includes reconciling the input and output of each distillation from raw ingredient to packaged form and confirming that the distillery had the equipment to ferment and distill onsite.
 - Though Okanagan Spirits has stated that their production practices have not changed since 2011, the LDB Regulatory team found production practices changed during 2016. Furthermore, Okanagan Spirits noted in their letter that they had made significant investments since the 2013 audit. At that time, OKS Vernon was located at a much smaller facility, comparable in size to the OKS Kelowna site. Therefore, it may be expected that Okanagan Spirits has put a greater emphasis on the second and subsequent distillations that occur at OKS Vernon, which seems contrary to their claim that this step is not essential.
 - OKS Kelowna is located in a high-traffic tourist location in downtown Kelowna, ideal for attracting walk-in retail customers. It has minimal distillation equipment and is subject to fire regulations prohibiting high proof distillation. In contrast, all other craft distilleries must be located in areas that are appropriately zoned to conduct all

fermentation and distillation onsite. Generally, such areas are not as accessible to walk in retail customers.

- Other craft distilleries have informally communicated to LDB that if the option to treat two distilleries under common ownership as one for operational purposes is approved by LDB, they would like to open second locations in more retail-friendly urban areas as well to increase walk-in sales.

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OTHER MINISTRIES IMPACTED/CONSULTED:

- LDB
- LCRB

Prepared by:

Megan Harris
Executive Director, ADMO
778 974-5965

Approved by:

Douglas S. Scott
Associate Deputy Minister
778 698-0403

Attachment

Attachment A – Oct. 21, 2019 BTAP letter to AG

October 21, 2019

The Honourable David Eby
Attorney General and Minister of Justice
Parliament Buildings, Room 232
Victoria, BC
V8V 1X4

RE: BTAP requests intervention by the Attorney General to stay the forced closure of
Okanagan Spirits, Kelowna

Dear Minister Eby,

As members of your Business Technical Advisory Panel (BTAP), we are writing to express our deep concerns and frustrations about the forced closure or conversion of Okanagan Spirits Craft Distillery in Kelowna. It is our understanding that, without your direct intervention, this distillery will be forced to close on December 31st of this year. In addition to job losses and a negative impact on BC's agricultural producers, forcing this closure also appears to contradict directly the intent of BTAP's industry-consensus recommendation currently under review.

As you know, our report articulated the urgent need to "undertake an immediate and comprehensive omnibus review of (such) support programs with a view to creating a more rational and equitable approach to defining what a local product is and for harmonizing support for those products" with a focus on creating a fair and equitable balance between the three major pillars within the alcohol sector: wine, beer, and spirits (see the discussion beginning on page 24 of our report and recommendations 15 and 16.)

We are also concerned that, in your recent letter the Craft Distiller's Guild of BC, you state you are "unable" to work with the Guild on this most pressing issue, and also that you will not be intervening on the forced closure of Okanagan Spirits in Kelowna. It is the Panel's view that your response contradicts the spirit of work currently underway on implanting BTAP's recommendations, which you have publicly accepted as your "roadmap to liquor policy reform."

As you will recall, we noted in our April 30, 2018 report that "immediate and urgent attention was required by government to address these issues." Given the slow progress on implementing our recommendations, this particular issue is now critical. In this context, we respectfully ask that you reconsider your position. At the very least, it would seem fair and logical to offer affected parties a temporary reprieve from forced closure/conversion while government contemplates the outcome of our recommendations in partnership with BTAP.

.../2



We greatly appreciate the opportunity to work in productive partnership with you, your office, the LCLB, and LDB. We collectively look forward to continuing the working relationship you have fostered over the last year to achieve our mutual goal of meaningful long-term reform in BC's liquor industry.

Sincerely,

Members of the **Business Technical Advisory Panel (BTAP)**

- Jeff Guignard, BC's Alliance of Beverage Licensees
- Ken Beattie, BC Craft Brewers Guild
- Ian Tostenson, BC Restaurants and Foodservices Association
- Vance Campbell, BC Wine Institute
- Jeremy Chorney, Canada's National Brewers
- Tyler Dyck, Craft Distiller's Guild of BC
- Mark von Schellwitz, Restaurants Canada
- Imi Haji, Rural Agency Store Advisory Society

cc

- Doug Scott, Associate Deputy Minister