### Ministry of Agriculture and Food Estimates 2025/2024

ТАВ	TOPIC	BRANCH
Α	Opening Comments & Accomplishments	CCDE
		GCPE
В	Budget	
1	Budget Highlights	CSNR
2	Operating Budget by Core Business	CSNR
3	Operating Budget by Group Account Classification	CSNR
С	Corporate Information	
4	AF Organizational Structure and FTE Numbers	DMO /CSNR
5	Annual Service Plan 2025-2026	DMO
6	Legislation Overview	СРРВ
7	Mandate Letters	DMO
D	Ministry Issues/Topics Listed alphabetically under block of yellow if not captured under blue subheading	li .
Agric	cultural Land Commission ]\'	
8	Agri-Industrial Processing Use in the ALR	ALC
9	Agri-Tech Vertical Farming in the ALR	ALC
10	ALC Commissioners and Panels	ALC
11	ALC Application Processing Times	ALC
12	ALC Application Types/Volumes by Fiscal Year	ALC
13	ALR Land Included into and Excluded from by Fiscal Year	ALC
14	Brunswick Point – MLA Paton	СРРВ
15	Compliance and Enforcement at the ALC/Statistics	ALC
16	Illegal Fill Dumping in Hatzic Lake/ FVRD	ALC
17	Non-Adhering Residential Use (NARU) Applications	ALC
18	Non-Farm Use Applications	ALC
19	Notice of Intent for Soil and Fill Use	ALC
Agric	culture Land Reserve (ALR)	
20	Agricultural Land Use Inventories (ALUIs)	СРРВ
21	ALCA Alignment of Laws Project	СРРВ
22	ALR/ALC Overview	СРРВ
23	ALR - Cowichan Estuary	ALC
24	ALR - Foreign Ownership	СРРВ
25	ALR - Heppell's Farm	СРРВ
26	Speculation and Vacancy Tax	СРРВ

27	Agritech Industry Development Support	ICB
28	Minister's Advisory Group on Regenerative Agriculture and	FSCSB
	Agritech incl. Select Standing Committee Report on Carbon	200
	Sequestration	
29	On-Farm Agritech Adoption Support	ICB
Anin	nal Diseases	
30	Abbotsford Agriculture Center	PAHB
31	African Swine Fever	OCV/IGR/ESSB/BRM B
32	Animal Health Center	PAHB
33	Avian Influenza (AI)	CRCR/OCV
34	Chronic Wasting Disease	PAHB
35	Feral Pigs	OCV/ESSB
36	Foot and Mouth Disease	OCV
37	Infectious Laryngotracheitis (ILT)	OCV
Anin	nal Welfare	
38	Access to Veterinary Services	OCV/CPPB
39	Codes of Practice for Animal Welfare	СРРВ
40	College of Veterinarians of British Columbia (CVBC) Bylaw Review	СРРВ
41	Domestic/ Wild Sheep Disease Risks -incl. MOVI	ESSB/OCV/CPPB
42	Farmed Animal Welfare Review	СРРВ
43	Funding for BC Seats at Western College of Veterinary Medicine	LBR/CPPB
44	One Health	PAHB/OCV
45	One Welfare	CPPB/OCV
46	PCAA Amendments/Animal Activism and Animal Welfare	СРРВ
BC F	arm Industry Review Board (BCFIRB)	
	Appeals and Complaints Overview	BCFIRB
48	BC Milk Marketing Board and Western Milk Pool Transformation Initiative	BCFIRB
49	BC Vegetable Marketing Commission	BCFIRB
50	Chicken Sector Pricing Update	BCFIRB
51	BC FIRB, Supply Management and Federal-Provincial Agreements	BCFIRB
52	Governance of BC's Regulated Marketing Sector	BCFIRB
53	New Entrant Overview in Supply Managed and Regulated	
	Marketing Sectors -incl. Summary of Programs and Recent Numbers by Sector	BCFIRB
54	Responsibilities, Practices and Procedures as an Administrative Tribunal – incl. animal welfare	BCFIRB
55	Supply Management	BCFIRB

Beef		
56	Bred Heifer Assoc. Loan Guarantee Program	BRMB
57	Livestock Protection Program	ESSB/BRMB
58	Prescribed Areas	CPPB/ESSB
59	Slaughter Challenges	FSIB/ESSB
Bees		
60	BeeBC Program	ESSB
61	Honeybee Imports and the Threat to Bee Health	OCV
62	Buy BC Programs	FBB
63	Buy BC 3-Year Strategy	FBB-MDT
64	Cannabis - Ministry Support and Programs	ESSB/FBB/CPPB
Clim		
65	Access to Water	ESSB
66	Clean BC Roadmap to 2030	CRCR -SCIB
67	Climate and Environment: On-Farm Funding	ESSB
68	Climate and Environment: Extension	ESSB
69	Climate Resilience/Emergency Preparedness Strategy for Food	CRCR -SCIB
	Security Mandate Letter Commitment	22.22.77.72.27
Dair		
70	Progressive Penalties for Milk Industry	CPPB/OCV
71	Western Dairy and Vitalus	СРРВ
Eme	rgency Response	
72	Drought Response	ESSB
73	Wildfire Impacts 2024	RACI – EMB/BRM
Farn	A STATE OF THE PARTY OF THE PAR	
74	Farmer Information Service	ESSB
75	Farmers Institutes	ESSB
76	Rising Input Costs/Inflation	FBB/BRMB/ESSB
Feed		
77	Feed BC in Health/Post-Secondary	FBB - FSP
78	Feeding Futures and Feed BC in K-12	FBB - FSP
	(School Food Mandate)	72-12-2
79	Food and Beverage Processing	FBB - FSP
80	Food Hub Network	FBB - FSP
81	Food Inflation	CRCR - FSCSB
82	Grocery Code of Conduct	IGR
Indi	genous Agriculture	
83	Declaration Act Implementation	IPR-CPPB
84	First Nation Negotiations	СРРВ
85	G2G Agreements and Water use eg. Koksilah	ESSB
86	Indigenous Agriculture and Food Programs	FBB- IPR
87	Indigenous Advisory Council on Agriculture and Food (IACAF)	IPR

88	TFW Program Changes and Inter Ministry Working Group	FBB-WBS
89	Workforce Development and Labour programs	FBB-WBS
Meat	and Seafood Inspection and Licensing	
90	Meat Inspection Program Overview	FSIB
91	Modernized Poultry Inspection	FSIB
92	Salmon Transition Plan	ESSB
93	Seafood Inspection Program Overview	FSIB
New	Entrants	
94	New Entrant Strategy	FBB-IES
95	New Entrant Programs	FBB-WBS
96	Youth Development	FBB-WBS
97	Nutrient Management	ESSB
98	Plant Diseases and Pests	
	-Army Worms, Little Cherry Virus, Japanese Beetle, Dutch Elm	PAHB
	Disease, Spongy Moth	
99	Premier's Task Force on Agriculture and Food Economy	FSCSB/ICB/FBB
	Premiers Task Force on Agriculture and Food Economy –	FSCSB/ICB/FBB
	Membership List	
Risk	Management Programs	
100	AgriStability	BRMB
101	Agriculture Wildlife Program and Wildlife Damage Mitigation	BRMB
	Initiatives	
102	B.C. AgriStability Enhancement Program, 2024	BRMB
103	Business Risk Management Overview	BRMB
104	Drought and Wildfire Agri Recovery (incl. TAP) 2023	BRMB
105	Flood Recovery Initiative	BRMB
106	Livestock Price Insurance Program	BRMB
107	Production Insurance Program Delivery	BRMB
108	Site C - Agricultural Compensation Fund	ESSB
Trad	e	
109	Export Market Development	FBB-MDT
110	Market Access Concerns	CPPB-IGR
111	Sustainable Canadian Agricultural Partnership (SCAP)	CPPB-IGR
112	US Market and Tariffs	CPPB/FBB
Tree	Fruit, Berry and Nut	-
113	Enhanced Replant Program	ESSB
114	Blueberry Scorch Virus & Programming	ESSB/PAHB
115	Organics	ESSB
116	Tree Fruit Sector incl. apples and cherries	ESSB/BRM
117	Wine (incl. WGITF) 2023 and 2024 Freeze Event Outcomes	FBB/CPPB/ESSB/ BRMB

Supplemental Notes	
Regional Agri-Enviromental Issues	
Home Based Food Craft	
BC School Fruit and Vegetable Nutrition Program	
Estimates Budget Presentation – 2024/25 Compared to	
2025/26	
	Regional Agri-Enviromental Issues Home Based Food Craft BC School Fruit and Vegetable Nutrition Program Estimates Budget Presentation – 2024/25 Compared to



**SPEAKING NOTES FOR** 

Lana Popham, Minister of Agriculture and Food

**Estimates Debate – Opening Remarks** 

- I'd like to begin by acknowledging we are on the territory of the Lekwungen people, the Songhees and Esquimalt First Nations.
- Welcome the Opposition Critic.
- We've done this many times in the past and I look forward to discussing with him the issues that are most important to B.C. farmers and food producers.
- I also welcome questions from other members who will be joining us over the course of these estimates to talk about issues in their constituencies.

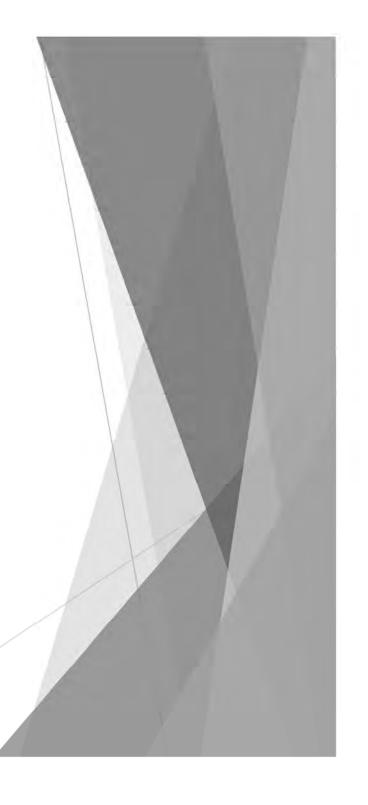
- With a budget that has increased over \$50 million since we formed government, we are committed to strengthening B.C.'s food system and the people who grow and produce our food.
- I'm pleased to be supported today by my Ministry's executive team, which includes:
  - Deputy Minister, Michelle Koski;
  - Assistant Deputy Ministers:
  - Eric Kristianson
  - Paul Squires
  - Willow Minaker
  - Ranbir Parmar; and
  - Chief Executive Officer of the Agricultural Land Commission, Kim Grout.

- I'm excited to get this debate going and I know members will have many questions.
- So, with that, Honourable Chair, I'd be happy to get right to it and take questions.



## **Budget 2025 Highlights**

- Budget 2025 increased by \$12.841M over the restated 2024/25 budget
  - Increase of \$12.110M for the Production Insurance Special Account
  - Increase of \$0.714M for the Shared Recovery Mandate
  - Increase of \$0.017M for the Ministers Office Salaries

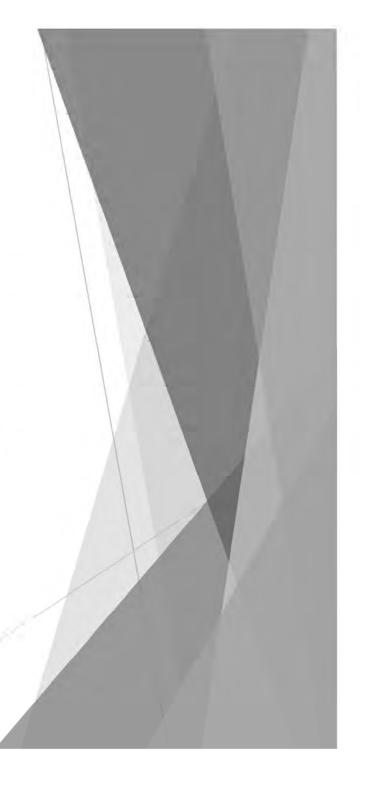




# **Budget 2025 Changes by Core Business**

Changes Hom 2024/25		Changes	from	2024	/25
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	2024/25 Restated	2025/26 Estimates	Change	PISA Adjustment	Ministers Office	Shared Recovery Mandate
Ministry Operations						
Science, Policy and Inspection	18,064	18,311	247			247
Agriculture Resource	68,425	72,205	3,780	3,440		340
BC Farm Industry Review Board	1,457	1,473	16			16
Executive and Support Services	7,058	7,131	73		17	56
Sub-Total	95,004	99,120	4,116	3,440	17	659
Agricultural Land Commission	5,453	5,508	55			55
Production Insurance Account Net	29,679	38,349	8,670	8,670		
TOTAL Ministry	130,136	142,977	12,841	12,110	17	714





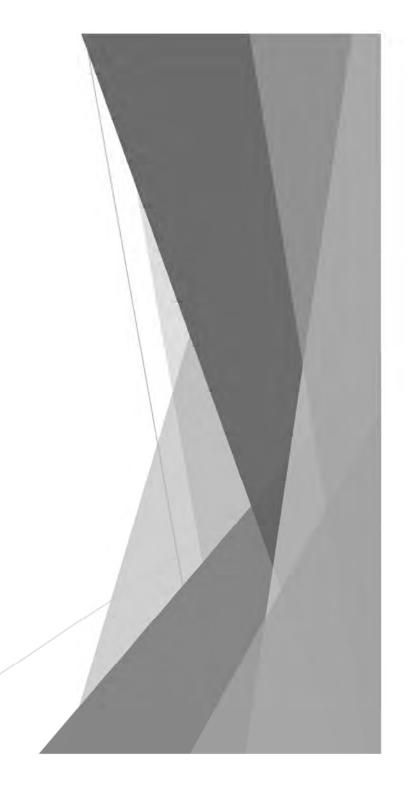
# **Fiscal Plan Comparison**

	2024/25	2025/26		
	Restated	Estimates	2026/27 Plan	2027/28 Plan
Budget 2024 - Baseline	130,136	130,136	130,136	130,136
Production Insurance Special Account		12,110	(540)	2,018
Shared Recovery Mandate		714	714	714
Ministers Office		17	17	17
Budget 2025 Total Budget	130,136	142,977	130,327	132,885



# **Minister's Office**

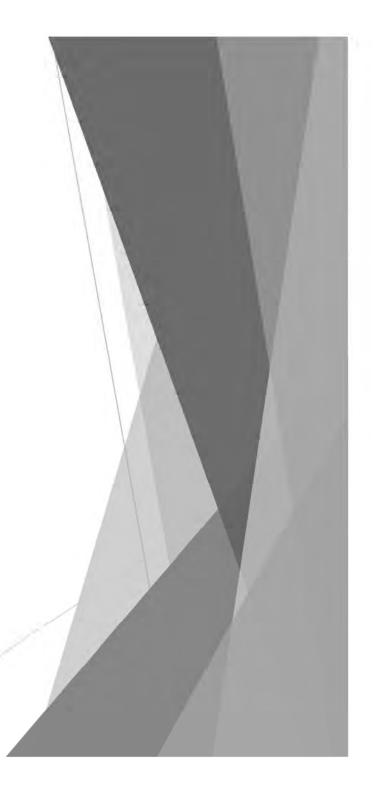
Minister's Office Budget	2024/25 Restated	2025/26 Estimates	Change
Ministry Operations			
Salary and Benefits	552	549	(3)
Legislative Salaries	58	78	20
Travel	87	87	-
Information Systems	10	10	-
Office Expenses	22	22	-
Total Budget	729	746	17





# **Capital Budget**

Spending by Asset Types	2024/25	2025/26		
	Estimates	Estimates	2026/27 Plan	2027/28 Plan
Ministry Operations		100000		
Centralized Assets				
Vehicles	550	550	550	550
Office Equipment	3	3	3	3
Specialized Equipment	300	300	300	300
Centralized Assets Total	853	853	853	853
Ministry Operations Total	853	853	853	853
Agricultural Land Commission				
Vehicle replacement	0	0	0	0
Cannabis and Revitalization Vehicles	0	0	0	0
Agricultural Land Commission Total	0	0	0	0
Ministry Total	853	853	853	853



#### Ministry of Agriculture and Food - Budget 2025 Highlights

➤ The Ministry budget of \$142.977M in 2025/26 is made up of the Ministry Operations vote, the Agricultural Land Commission vote, and the Production Insurance Special Account.

#### **Ministry Operations**

- ➤ Budget 2025 increased by \$4.116M over the restated 2024/25 budget:
  - \$3.440M for the Production Insurance Special Account Adjustment
  - \$0.659M for the Shared Recovery Mandate
  - o \$0.017M for the Ministers Office Salaries
- The Ministry Operations budget (Vote 13) in 2024/25 is \$99.120M; \$4.116M or 4.33% greater than the 2024/25 restated budget of \$95.004M.

#### **Agricultural Land Commission**

➤ The budget for the Agricultural Land Commission (Vote 14) in 2025/26 is \$5.508M – this represents an increase of \$0.055M for the Shared Recovery Mandate

#### Production Insurance Special Account

- ➤ The budget for the Production Insurance Special Account has increased to \$38.349M for all years of Budget 2025.
  - This is a \$8.670M increase from 2024/25

#### Capital

The Ministry's capital budget in 2025/26 is **\$0.853M** – unchanged from the 2024/25 restated budget.

The capital budget is \$0.853M for 2026/27 and 2027/28

### Ministry of Agriculture and Food **Budget 2025 Estimates Summary**

			<b>Budget 2025 Decisions</b>					<b>Budget 2025 Decisions</b>					Budget	2025 Deci	sions	
			(1)	(2)	(3)			(1)	(2)	(3)			(1)	(2)	(3)	
(\$000s)	Restated Estimates 2024/25	2025/26 Opening Balance	PISA Adjustments	Ministers Office	Shared Recovery Mandate	2025/26 Estimates	2026/27 Opening Balance	PISA Adjustments	Ministers Office	Shared Recovery Mandate	2026/27 Estimates	2027/28 Opening Balance	PISA	Ministers Office	Shared Recovery Mandate	2027/28 Estimates
Science, Policy and Inspection	18,064	18,064			247	18,311	18,064			247	18,311	18,064			247	18,311
Agriculture Resource	68,425	68,425	3,440		340	72,205	68,425	7120		340	75,885	68,425	9,160		340	77,925
<b>BC Farm Industry Review Board</b>	1,457	1,457			16	1,473	1,457			16	1,473	1,457			16	1,473
Minister's Office	729	729		17		746	729		17		746	729		17		746
Corporate Services	6,329	6,329			56	6,385	6,329			56	6,385	6,329			56	6,385
	95,004	95,004	3,440	17	659	99,120	95,004	7,120	17	659	102,800	95,004	9,160	17	659	104,840
Agricultural Land Commission					- 11			-								
Agricultural Land Commission	5,453	5,453			55	5,508	5,453			55	5,508	5,453			55	5,508
	5,453	5,453			55	5,508	5,453	-		55	5,508	5,453			55	5,508
Production Insurance Special Account																
Production Insurance Account	41,679	41,679	13,530			55,209	41,679	(960)			40,719	41,679	578			42,257
	41,679	41,679	13,530		-	55,209	41,679	(960)			40,719	41,679			T - 14	42,257
PISA Elimination Entry	(12,000)	(12,000)	(4,860)			(16,860)	(12,000)	(6,700)			(18,700)	(12,000)	(7,720)	V		(19,720
Total Ministry	130,136	130,136	12,110	17	714	142,977	130,136	(540)	17	714	130,327	130,136	2,018	17	714	132,885

Notes:

1) Updates to the Production Insurance Special Account, to more accurately reflect the actual expenses (revenues have also been adjusted).

<sup>2)</sup> Updates to the Ministers Office salaries

<sup>3)</sup> Increases related to Shared Recovery Mandate for Unionized and Excluded staff salaries/benefits

### Ministry of Agriculture and Food Budget 2025 Year over Year Comparison

		Budget	2025 Decis	ions		Budget 2025 Decisions		Budget 2025 Decisions	
(\$000s)	Restated Estimates 2024/25 Ending Balance	PISA Adjustment	Ministers Office Salaries	Shared Recovery Mandate	2025/26 Estimates	PISA Adjustment	2026/27 Estimates	PISA Adjustment	2027/28 Estimates
Science, Policy and Inspection	18,064			247	18,311		18,311		18,311
Agriculture Resource	68,425	3,440		340	72,205	3,680	75,885	2,040	77,925
<b>BC Farm Industry Review Board</b>	1,457			16	1,473		1,473		1,473
<b>Executive &amp; Support Services</b>	_				-		-		-
Minister's Office	729		17		746		746		746
Corporate Services	6,329			56	6,385		6,385		6,385
	95,004	3,440	17	659	99,120	3,680	102,800	2,040	104,840
<b>Agricultural Land Commission</b>		-							
Agricultural Land Commission	5,453			55	5,508		5,508		5,508
	5,453			55	5,508		5,508		5,508
Production Insurance Special Account									
Production Insurance Account	41,679	13,530			55,209	(14,490)	40,719	1,538	42,257
	41,679	13,530			55,209	(14,490)	40,719	1,538	
PISA Elimination Entry	(12,000)	(4,860)			(16,860)	(1,840)	(18,700)	(1,020)	(19,720)
Total Ministry	130,136	12,110	17	714	142,977	(12,650)		2,558	

<sup>\*</sup>Note amounts are year to year incremental changes and does not reflect full budget decisions

# Ministry of Agriculture and Food 2025/26 Budget changes by Core Business (\$000)

	2024/25 Restated	Change	2025/26 Estimates	Change	2026/27 Plan	Change	2027/28 Plan
Ministry Operations							
Science, Policy and Inspection	18,064	247	18,311	+	18,311		18,311
Agriculture Resource	68,425	3,780	72,205	3,680	75,885	2,040	77,925
BC Farm Industry Review Board	1,457	16	1,473		1,473		1,473
Executive and Support Services	7,058	73	7,131		7,131	07	7,131
Sub-Total	95,004	4,116	99,120	3,680	102,800	2,040	104,840
Agricultural Land Commission	5,453	55	5,508	- 1	5,508	19	5,508
Production Insurance Account Net	29,679	8,670	38,349	(16,330)	22,019	518	22,537
TOTAL Ministry	130,136	12,841	142,977	(12,650)	130,327	2,558	132,885
Percent Change			9.87%		-8.85%		1.96%

#### 2025/26 Changes Include - Increase of \$12.841M

- 12.110 M increase to revise operating transactions for PISA claims and reinsurance to reflect actual transactions.
- 0.714 M increase to salary and benefits for the Shared Recovery Mandate
- 0.017 M increase to Ministers Office salaries
- 12.841 Total change

#### 2026/27 Changes Include - Decrease of \$12.650M

- -12.650 M decrease to revise operating transactions for PISA claims and reinsurance to reflect actual transactions.
- -12.650 Total change

#### 2027/28 Changes Include - Increase of \$2.558M

- 2.558 M increase to revise operating transactions for PISA claims and reinsurance to reflect actual transactions.
- 2.558 Total change

### Ministry of Agriculture and Food Operating Budget - 2024/25 Restated to 2025/26 by Group Account Classification (GAC) and Votes (\$000)

Group Account Classification	2024/25	2025/26	Increase	
(GAC)	Restated	Estimates	(Decrease)	% Change
Ministry Operations				
Salaries and benefits	37,282	37,958	676	1.81%
Operating costs	12,509	12,509		0.00%
Government transfers	54,188	51,048	(3,140)	-5.79%
Other expenses	15,456	22,036	6,580	42.57%
Recoveries	(24,431)	(24,431)		0.00%
Ministry Operations Total	95,004	99,120	4,116	4%
<b>Agricultural Land Commission</b>				
Salaries and benefits	4,252	4,307	55	1.29%
Operating costs	1,201	1,201	-	0.00%
Other expenses	3	3	7.9	0.00%
Recoveries	(3)	(3)		0.00%
Agricultural Land Commission Total	5,453	5,508	55	1%
Production Insurance Special A	ccount			
Operating costs	1,200	1,500	300	25.00%
Other expenses	40,480	53,710	13,230	32.68%
Other expenses - Elimination	(12,000)	(16,860)	(4,860)	40.50%
Recoveries	(1)	(1)		0.00%
Production Insurance Special Account Total	29,679	38,349	8,670	29%
Grand Total	130,136	142,977	12,841	10%
All Votes & Special Accounts	2024/25 Restated	2025/26 Estimates	Increase (Decrease)	% Increase (Decrease)
Salaries and Benefits	41,534	42,265	731	2%
Operating Costs	14,910	15,210	300	2%
Government Transfers	54,188	51,048	(3,140)	(6%)
Other Expenses	43,939	58,889	14,950	34%
Recoveries	(24,435)	(24,435)	-	
And the safety of the safety o	130,136	142,977	12,841	10%

### Ministry of Agriculture and Food 3 Year Capital Budget (\$000)

Spending by Asset Types	2024/25 stimates	Change	2025/26 stimates	Change	026/27 Plan	Change	2027/28 Plan
Ministry Operations							
Centralized Assets							
Vehicles	550	0	550	0	550	0	550
Office Equipment	3	0	3	0	3	0	3
Specialized Equipment	300	0	300	0	300	0	300
Centralized Assets Total	853	0	853	0	853	0	853
Ministry Operations Total	853	0	853	0	853	0	853
Agricultural Land Commission							
Vehicle replacement	0	0	0	0	0	0	0
Cannabis and Revitalization Vehicles	0	0	0	0	0	0	0
Agricultural Land Commission Total	0	0	0	0	0	0	0
inistry Total	853	0	853	0	853	0	853
Percent Change			. 4.1		P-Y		11/2

#### Ministry of Agriculture and Food 3 Year Revenue Projections 2024/25 Restated to 2027/28 (\$000s)

Revenues by Core Business	2024/25 Restated	Change	2025/26 Estimates	Change	2026/27 Planned	Change	2027/28 Planned
Ministry Operations							
Agriculture Science & Policy							
Veterinary Laboratory Fees	800		800		800		800
Seafood Industry Revenue	96		96		96		96
Other Revenues	52		52		52		52
Agriculture Science & Policy Total	948		948		948	-	948
BC Farm Industry Review Board							
Appeal Fees	4		4		4		4
BC Farm Industry Review Board Total	4		4		4		4
Corporate Services - Other Revenues							
Miscellaneous Revenues	50		50		50		50
Other Revenues Total	50		50		50		50
Ministry Operations Total	1,002		1,002		1,002		1,002
Agricultural Land Commission							
ALC							
Agricultural Land Commission Fees	325		325		325		325
ALC Total	325		325		325		325
Agricultural Land Commission Total	325		325		325		325
Special Accounts							
Production Insurance							
Federal Government Contribution	17,282	16,478	33,760	(9,340)	24,420	1,340	25,760
Producers Insurance Premiums	8,818	1,562	10,380	1,500	11,880	640	12,520
Miscellaneous Interests	2,900	(2,400)	500	1,000	1,500	1,000	2,500
Production Insurance Total	29,000	15,640	44,640	(6,840)	37,800	2,980	40,780
Special Accounts Total	29,000	15,640	44,640	(6,840)	37,800	2,980	40,780
Grand Total	30,327	15,640	45,967	(6,840)	39,127	2,980	42,107
	Total	% Change	51.6%				

#### Note:

Agricultural Land Commission Fees: Revenue based on Applications to the Commission.

Production Insurance (Premiums and Federal Contributions) revenues: increased due to increase in insurable values (commodity prices) and an increase in premium rate due to previous loss history

# Ministry of Agriculture Headcount by Core Business Based on CHIPS data at January 31, 2020

#### Ministry of Agriculture and Food - Headcount by Core Business

Based on CHIPS data at January 31, 2025

#### **AFF without ALC & BCFIRB**

Classification		Minister's Office	Deputy Minister's Office	Science, Policy and Inspection	Agriculture Resouce	Climate Resilience, Competitiveness & Reconciliation	Grand Total	% of Total Staff
Senior Executive (DM & ADM)	Excluded		1	1	1	1	4	1.0%
Management (AL, BL, SL)	Excluded	4	2	17	26	8	57	13.7%
Sr Minister Assistants, Sr Exec (Band A), Ministerial & Exec Assistants (Sched A)	Excluded	i	9	8	6	0.	1	0.2%
Union - GEU	Included	- 2 -	4	128	87	8	227	54.6%
Union - PEA	Included	-		24	54	2	80	19.2%
Ministerial Support Staff	Excluded	- 4-				÷	0	0.0%
Grand Total		5	7	170	168	19	369	88.7%
% of Total Staff		1.2%	1.7%	40.9%	40.4%	4.6%	88.7%	

#### Ministry of Agriculture and Food - Headcount by Core Business

Based on CHIPS data at January 31, 2025

#### AFF - ALC & BCFIRB Included

Classification		Minister's Office	Deputy Minister's Office	Science, Policy and Inspection	Agriculture Resouce	Climate Resilience, Competitiveness and Reconciliation	Agricultural Land Commission	BC Farm Industry Review Board	Grand Total
Senior Executive (DM & ADM)	Excluded		1	1	1	1	+ +		4
Management (AL, BL, SL)	Excluded	4	2	17	26	8	3	2	62
Sr Minister Assistants, Sr Exec (Band A), Ministerial & Exec Assistants (Sched A)	Excluded	1	18		11.0	4 1	- & -		1
Union - GEU	Included		4	128	87	8	36	5	268
Union - PEA	Included	-	1 [4]	24	54	2	1	-	81
Ministerial Support Staff	Excluded		(=3·c=)				- 1-		0
Grand Total		5	7	170	168	19	40	7	416
% of Total Staff	1	1.2%	1.7%	40.9%	40.4%	4.6%	9.6%	1.7%	100%

#### Deputy Minister's Office Michelle Koski

Director of Executive Operations, Corporate Planning and intergovernmental Relations
Blake Anderson

### Agriculture Resource Division

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

A/ADM: Willow Minaker Strategic Projects:

**Executive Director: Vacant** 

#### Food & Beverage Branch

**Executive Director:** 

Lindsay Bisschop

Market Development & Trade Unit

Director: Andrea Hoerger (TA)

**Food System Partnerships Unit** 

(Feed BC and Food Processing)

Director: Kristina Bouris
Workforce & Business Services Unit

Director: Dennis Palmer

### Extension & Support Services Branch

**Executive Director:** 

Mark Raymond

Agriculture Development (South)

Director: Angela Boss

Agriculture Development (North)

Director: Brent Barclay
Resource Management Unit

Director: David Poon

### Business Risk Management Branch Executive Director:

Byron Jonson

Production Insurance & Ag Wildlife

Unit

Director: Timothy Pigg

AgriStability Unit

Director: Trevais Mellum
Business Operations Unit

General Manager: Kevin Schmidt

Policy & Products Unit

Director: Lisa Payne

### Science, Policy & Inspection Division

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

ADM: Eric Kristianson

#### **Corporate Policy & Priorities Branch**

**Executive Director:** 

Arlene Anderson

Land Use & Geospatial

Director: Jeff Weightman

Legislation

Director: Lauren Yawney

Policy

Director: Tina Bodnar

Sector Insights and Corporate Initiatives

Director: Jessica Schafer

#### Office of the Chief Veterinarian

Chief Veterinarian: Theresa Burns Deputy Chief Veterinarian: Chelsea

Himsworth

#### **Plant & Animal Health Branch**

**Executive Director:** 

Joyce Austin

#### **Animal Health Centre**

Director: Tomy Joseph

Plant Health Unit

Director: Tracy Hueppelsheuser (TA)

**Business Operations** 

Director: Eduardo Leite

**Laboratory Operations** 

Director: Heather Osachoff

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

**Executive Director:** 

Gavin Last

#### Agri-food Compliance and

Enforcement

Team Lead: Brent Smith

**Meat Inspection Program** 

Director: Klaus Noegel

Seafood Inspection Program

Director: Wayne Sparanese

#### Climate Resilience, Competitiveness and Reconciliation Division

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

**ADM**: Paul Squires

### Innovation & Competitiveness Branch

Director: Mat Patterson

#### **Emergency Management Branch**

Director: Graham Knox

#### Indigenous Partnerships and Reconciliation Branch

Director: lan Foss

### Food Security & Climate Strategies Branch

Director: Dylan Sherlock

### Agriculture Land Commission Chief Executive Officer:

Kim Grout

#### BC Farm Industry Review Board Executive Director:

Martha Anslow

#### Ministry of Agriculture and Food – Estimates Briefing STAFF BY CLASSIFICATION and CORE BUSINESS Based on CHIPS data at January 31, 2025

Classification	МО	DMO	SPI	AR	CRCR	BC FIRB	ALC	Total
COOP and Interns		- 74.7						
Coop Education Train Progm Lv1				1				1
Coop Education Train Progm Lv2								0
COOP and Interns Total				1				1
Clerks, Administrative and Financial Officers					1			
Administrative Coordinator	1				-			1
Administrative Coordinator  Administrative Officer R15	1			4	+			4
Administrative Officer R18		1	2	1	-	1	1	6
Administrative Officer R21		-	1	1	+	1	1	2
Administrative Officer R24			5	7		3		15
Administrative Officer R27		-	3	4	2	3		6
Clerk R9				7	2			7
Clerk R12	1	2	1		1		1	7
	1	2	1	1	1		1	
Clerk R15			1	3				7
Clerk Stenographer R9 Communications Officer R21		- 1	1	- 3				
Financial Officer R15		1			+			1
MANAGED BEST CONTROL				0				0
Financial Officer R18			4	9				9
Financial Officer R21	-	4	1 13	5	1	5	2	75
Clerks, Administrative and Financial Officers Total	2	4	13	46	3	5	2	/5
DM and ADMs								
Assistant Deputy Minister Non-OIC				1				1
Assistant Deputy Minister 1			1		1		1	3
Deputy Minister 1		1						1
DM and ADMs Total		1	1	1	1		1	5
Management Band 1-6								
Band 1				1	+			1
Band 1 MS	1			-	+			1
Band 2	1		1	8	+			9
Band 2 MS	- 1	_	- 1	0	+			1
Band 3	- 4	1	2	5	3	1		12
Band 3 MS	1	1	2	5	3	1		1
Band 4	1	-	7	0	2			21
Band 5			7	9	3	1	2	9
				3	1	1		
Band 6 Management Band 1-6 Total	3	1	2 16	26	7	2	2	57
Biologist R24				1				1
Economists								
Economist R27			2					2
Economist R30			1					1
Economists Total			3					3
Francisco Administrativo Anni			4					-
Executive Administrative Asst			1		1			2
Information Systems								
Information Systems R24			1	3				4
Information Systems R30			- 1	1 -			1	1
Information Systems Total			1	3			ì	5
Jahoratony Officers and Assistant								
Laboratory Officers and Assistant			1					1
Laboratory/Hlth Science Of R18 Laboratory/Hlth Science Of R21			6		1			1 6

#### Ministry of Agriculture and Food – Estimates Briefing STAFF BY CLASSIFICATION and CORE BUSINESS Based on CHIPS data at January 31, 2025

Classification	МО	DMO	SPI	AR	CRCR	BC FIRB	ALC	Total
Laboratory/IIIth Science Of R24			21				100	21
Laboratory/Hlth Science Of R30			2					2
Laboratory Officers and Assistant Total			30				-	30
Licensed Science Officers								
Licensed Sc Off Agrologist 1			2				-	2
Licensed Sc Off Agrologist 3			8	38	1			47
Licensed Sc Off Agrologist 4			2	10	1		1	14
Licensed Sc Off Other 3				1				1
Licensed Sc Off Other 4				- 3				3
LSO 3 -Designated Profssnl Eng				2				2
Licensed Science Officers Total			12	54	2		1	69
Planning Officers								
Planning Officer R24							11	11
Planning Officer R27							8	8
Planning Officer R30			1					1
Planning Officers Total			1				19	20
Policy Analyst - Economics R27			1					1
Policy Analyst - Science R27			2					2
Policy Social/Info/Health R27			3					3
Policy Analysts			6					6
Science and Research Officers				-				
Research Officer R18	_		1	2	_			3
Research Officer R21	_		1		-			1
Research Officer R24	_		1	1	-			2
Research Officer R27			1	1			-	1
Research Officer R30				1	-		-	1
Scientific/Tech Off R18 - Res					-		3	
Scientific/Tech Off R21 - Res	_		4	7	2	-	3	15
Scientific/Tech Off R24 - Res Scientific/Tech Off R27 - Res			2	5	3		3	11
Scientific/Tech Off R21-MHASI			43	.5	-		3	43
Scientific/Tech Off R27-AIS			5					5
Scientific/Technical Off R18			1	1			1	3
Scientific/Technical Off R21			2	6			6	14
Scientific/Technical Off R24			2	2			0	2
Scientific/Technical Off R27			2	2	2	-		6
Scientific/Technical Off R30				1				1
Science and Research Officers Total			64	36	5		14	119
Senior Executive Assistant		1						1
Sellio, Everage Vasistalit		1						
Tech Enforcement Officer R11			10					10
Veterinary								
Veterinarian			1					1
Veterinary Leader			1					1
Veterinary Specialist			10				1 1	10
Veterinary Total			12					12
Grand Total	5	7	170	168	19	7	40	416

### **Ministry of Agriculture and Food**

# 2025/26 - 2027/28 Service Plan

March 2025



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

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Published by the Ministry of Agriculture and Food

### Minister's Accountability Statement



The Ministry of Agriculture and Food 2025/26 – 2027/28 Service Plan was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared.

Honourable Lana Popham Minister of Agriculture and Food March 4, 2025

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### Strategic Direction

In 2025/26, the Government of British Columbia will continue to prioritize delivering the services and infrastructure needed for people to build good lives in strong communities.

To support this objective, Government will focus on growing the economy, responding to the threat of tariffs, creating good paying jobs, improving affordability, strengthening health care and education, and making communities safer.

Government will also continue deepening relationships with Indigenous Peoples while advancing implementation of the Declaration on the Rights of Indigenous Peoples Act Action Plan.

This 2025/26 service plan outlines how the Ministry of Agriculture and Food will support the government's priorities and selected action items identified in the Minister's January 2025 Mandate Letter.

### Purpose of the Ministry

The Ministry of Agriculture and Food (the ministry) is responsible for supporting the production, marketing, processing and merchandising of agriculture and seafood products; providing business risk management programs including crop insurance to the sector, knowledge and technical training and extension services, food safety and plant and animal health programs; and the collection of information and preparation and dissemination of statistics relating to agriculture and seafood, supporting the province's food security and developing a resilient food system and economy.

The ministry is a key contributor to economic development and province-wide job creation, particularly for small and medium sized farms and food processing businesses. The agriculture, food and beverage sector create economic and social benefits for Indigenous groups and other underrepresented groups, has the potential to attract provincial investment, and contributes to workforce development and skills training.

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

### Operating Environment

The Ministry of Agriculture and Food has operated in an incredibly challenging environment this fiscal year.

The U.S. is B.C.'s largest trading partner and top export market for agriculture, food, and seafood accounting for approximately 75 percent of exports. Uncertainty in the trading relationship between Canada and the US may impact B.C.'s agricultural sector. This increase

uncertainty for B.C.'s agriculture, food, and seafood exporters. Millions of jobs on both sides of the border depend on the Canada-U.S. trade relationship.

The Ministry's Animal Health Centre, located in Abbottsford, is still addressing the impacts of the atmospheric river event and subsequent flooding of 2021. This challenge has been exacerbated by continuing and worsening avian influenza outbreaks, which, in 2024 coincided with an outbreak of chronic wasting disease in some cervid populations. These outbreaks result in large surges in demand for testing at the AHC, because real time testing is critical to determine the extent of outbreaks and whether response measures are working. Since September 2024 the AHC has conducted more than 5,800 tests for avian influenza and more than 2,800 tests for chronic wasting disease.

Additionally, the Province's agricultural sector has faced continual extreme weather events such as wildfires and droughts and more severe than normal winter freeze events. These events have caused significant economic challenges for the sector, focused on the province's interior. The ministry's Business Risk Management Branch (BRMB) plays a critical role in supporting the recovery of British Columbia's agricultural sector when catastrophic loss events occur. This support is provided through a suite of insurance and income stability programs, which are jointly funded through the Province and Canada under the Sustainable Canadian Agricultural Partnership agreement: AgriStability, AgriInsurance (Production Insurance), AgriInvest, AgriRecovery, and Agriculture Wildlife Damage Compensation.

These business risk management programs are the foundational component of a farmer's financial risk management strategy and are developed to be nonmarket distorting and trade compliant. The programs are designed to work together to help farmers return to production when catastrophic events beyond their control occur. However, as the frequency and severity of catastrophic weather events increase, the ability of the Business Risk Management Branch to provide the needed recovery supports is becoming increasingly difficult with ongoing resource constraints (budgetary and administrative).

To help address these challenges, the ministry has been given a mandate to focus its energy on growing the economy by creating good jobs across the province, and to help reduce costs for families. In the coming year, the ministry will collaborate with farmers and food processors to ensure that all ministry programming is focused on improving the lives of BC families. Farmers and food producers expect that ministry programming will serve their needs, and the ministry will ensure that its programs remain relevant and efficient.

The ministry will work to improve affordability by helping ensure that costs of production are reasonable, and it will champion the popular FeedBC and BuyBC programs to ensure that local products are available in public institutions and grocery store shelves. Advocacy efforts that are targeted towards the federal government will focus on making improvements to key programs that farmers rely on, and the ministry will partner with other ministries to serve as a liaison to the restaurant industry. ALR policies will be reviewed to ensure that the ALR is being used to its fullest potential through strengthened regional food systems.

#### **Economic Statement**

B.C.'s economy experienced moderate growth last year amid relatively high interest rates, persistent price pressures and ongoing global economic uncertainty. The labour market ended the year on a positive note, supported by high immigration and strong population growth. Inflation in B.C. continued to moderate as the price growth of goods eased, while inflation for services remained elevated. Consumer spending and home sales activity were weaker for most of 2024 in the wake of still elevated interest rates and high prices. Subdued global demand and lower prices for key commodities led to a decline in the value of the province's merchandise exports in 2024. Meanwhile, B.C. homebuilding activity remained relatively strong following record high housing starts in 2023.

The Economic Forecast Council (EFC) estimates that B.C. real GDP rose by 1.2 per cent in 2024. In the near-term, the EFC expects B.C.'s economy to grow by 1.8 per cent in 2025 and 1.9 per cent in 2026, in line with the national average. For Canada, the EFC estimates growth of 1.4 per cent in 2024 and projects national real GDP growth of 1.8 per cent in 2025 and 1.9 per cent in 2026. These projections do not fully include the impact of the evolving U.S. tariff situation.

Restrictive global trade policies, particularly potential U.S. tariffs, pose a risk to the outlook and there is uncertainty over the degree and timing of impacts on B.C.'s economy, and among the province's trading partners. Other risks include lower population growth due to changes to federal immigration policy, as well as the potential for renewed price pressures leading to interest rates remaining elevated for longer, weaker global demand, and commodity market volatility.

### Performance Planning

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

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

# **Objective 1.1:** Strengthen the capacity in the provincial food system and increase economic opportunities for farmers, ranchers, and processors

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

#### **Key Strategies**

- Developing a Premier's Task Force on Agriculture and Food Growth and Competitiveness to work with industry and cross government partners to grow the profitability and success of the sector.
- Increase the awareness of the Buy BC brand with B.C. citizens and the availability and promotion of Buy BC licensed products at grocery stores across B.C.
- Enhance Feed BC by building demand for local foods in more B.C. public institutions through partnerships with key sectors such as health, post-secondary, and potential expansion to new institutional market channels, activating business opportunities to connect demand to supply and supporting the readiness of B.C. businesses to supply more locally grown and processed food.
- Continue to integrate Feed BC into the Province's Feeding Futures Framework to increase local food use and opportunities within B.C.'s K-12 school food programs.

The ministry has an integrated suite of programs and strategies to support this objective. Under Buy BC, this involves evaluations and audits to support the refinement and further targeting of Buy BC programming to meet industry needs. Under Feed BC, the forecast forward reflects anticipated growth supported by continued Ministry mandate to support Feed BC and increase use of B.C products in institutions, including healthcare, post-secondary and K-12 schools.

# **Objective 1.2:** Working with Indigenous people on food security initiatives and economic development opportunities

Working in partnership with First Nations rights-holders and Indigenous Peoples to advance responsive reconciliation actions, the implementation of the *Declaration on the Rights of Indigenous Peoples Act*, and to uphold Indigenous self-determination remains a priority and responsibility for the Ministry.

#### **Key Strategies**

- Ensure effective, responsive, and supportive policies, programs and services to
  meet the needs of First Nations and Indigenous communities and businesses and
  address barriers to participation through the B.C. Indigenous Pathfinder Service,
  the Indigenous Food Pathways Program and other Ministry initiatives and
  operations.
- Work in partnership with the B.C. Indigenous Advisory Council on Agriculture and Food, other Indigenous partners and the sector, included as a part of Ministry commitments laid out in the Declaration Act Action Plan (Goal 4.48), to support the realization of Indigenous Peoples' food security objectives, strengthen Indigenous food systems and increase Indigenous participation in the agriculture and food sector.
- Enhance Indigenous food sector capacity through work with rural and remote First Nations and other Indigenous Peoples to improve program and service delivery for

- the expansion of food security initiatives as well as economic development opportunities.
- Strengthen Indigenous, interagency and cross-sector partnerships through work
  with First Nations Health Authority, government and Indigenous organizational
  partners to improve collaboration and collective understanding of Indigenous
  Peoples' perspectives and interests on food security and food systems to guide
  planning and action in B.C.

#### Discussion

Supporting First Nations rights-holders and Indigenous communities to meet their self-determined food production, food security and economic development goals is a vital part of strengthening community food security in B.C. This includes a commitment to understand and respect Indigenous food systems, acknowledge impacts of colonization and address the historic and systemic barriers to Indigenous food security and participation in the sector. To advance food security and agricultural economic development priorities, the Ministry will develop distinction-based approaches<sup>1</sup> that enable capacity building, improve social, cultural and economic well-being, and lead to the equitable participation for Indigenous Peoples in the sector.

Forming the B.C. Indigenous Advisory Council on Agriculture and Food was a crucial step towards strengthening the Ministry's capacity to support the realization of Indigenous Peoples' food security objectives, strengthen Indigenous food systems and increase Indigenous participation in the agriculture and food sector. The Council was the first of its kind in Canada. It is guided by a three-year strategic plan and supports direct access for Ministry staff to Indigenous knowledge holders.

The Ministry has also created the Indigenous Partnerships and Reconciliation Branch to work with Indigenous partners and allies to guide responsive Reconciliation actions relating to Indigenous food systems and the food and agriculture sector.

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

Ensuring that the ministry has access to comprehensive data and information on the usage of Agricultural Land Reserve (ALR) is essential for informed land use decision-making. This information plays a pivotal role in guiding various ministry and government priorities, while also facilitating collaboration with farmers, industry stakeholders, and government entities in the development of long-term planning strategies and the enhancement of food security within the province.

<sup>&</sup>lt;sup>1</sup> A distinction-based approach means that the Province's work with <u>First Nations</u>, <u>Métis</u>, and Inuit people will be conducted in a manner that acknowledges the specific rights, interests, priorities and concerns of each, while respecting and acknowledging these distinct Peoples with unique cultures, histories, rights, laws, and governments.

#### **Key Strategies**

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

#### Discussion

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

Maintaining a province-wide ALUI was a recommendation from the "Revitalizing the ALR and the Agricultural Land Commission" Final Committee Report to support policy and program development and the ALR. The ministry developed a five-year ALUI Program strategy to update all agricultural regions in the province with an ALUI baseline by March 31, 2028, completed to current ALUI standards.

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

A key aspect of the ALUI update process involves research and development aimed at leveraging artificial intelligence and machine learning technologies to streamline the digitization of parcels and the identification of land use and land cover changes over time, thereby reducing time and labor demands. The use of high-resolution imagery is essential for any ALUI project, necessitating the allocation of sustained resources to support these projects. The overall goal of this work is to reduce the cost of collecting and maintaining the ALUI over time.

#### **Performance Measures**

Performance Measure	2023/24 Baseline	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
1a Number of government or other Feed BC partner facilities that have committed towards a minimum 30 percent of B.C. food expenditures within total annual food expenditures	201	211	219	227	234
1b Number of Buy BC logo licensed products	7,500	9,000	10,500	12,000	13,500

Data source: Ministry of Agriculture and Food

#### Discussion

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

1b Buy BC logo licensed products: Increasing the number of Buy BC logo licensed products that are grown, harvested, raised, or processed in B.C., along with undertaking Buy BC activities focused on online engagement, promotional campaigns, retail and industry partnerships, drives increased consumer awareness of the Buy BC brand and expands local food purchasing. In 2024/25 registrations of Buy BC products have far exceeded original targets due to strong consumer interest and expansion of retail partnerships.

# **Goal 2:** Support the B.C. agriculture and food sector to be competitive and profitable while adapting to climate change

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

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

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

these events, climate driven emergence of pests and pathogens in animals and plants will also increase.

The Province of B.C. has adopted the United Nations Sendai Framework, which outlines five key priorities that are guiding the ministry's evolving approach to climate related events and the associated risk as listed in the key strategies below.

#### **Key Strategies**

- Understanding risk: Continued investment in science and monitoring capacities to understand climate changes in B.C.'s weather and the impacts of these changes on the availability of agricultural water, drought and flood risks, ocean acidification and hypoxia, invasive species, diseases, pests, and other climate stressors.
- Strengthening governance: The Emergency Management Branch will provide expertise and support coordination for preparedness, mitigation, and response efforts involving the agriculture sector, including the development and implementation of a multi-year Emergency Management Strategic Plan.
- Investing in on-farm resiliency: Expansion of cost-shared programming to support extreme weather preparedness supports for agricultural producers to protect their operations from extreme weather events.
- Enhancing preparedness: The ministry will support industry efforts to improve response capacity for plant and animal health risks, including but not limited to Avian Influenza, by increasing engagement and capacity-building initiatives across high-risk agriculture sectors.
- Capacity building for resilience: Establish outreach and education programs for local authorities, Indigenous peoples, and industry organizations to support agriculture sector resiliency in the face of rapidly changing climate-related risk profiles.

#### Discussion

In the wake of increasingly significant drought, wildfire, flooding, and other emergency events over the last several years, the ministry has been scaling up its capacity to address emerging emergency incidents and strengthening the overall climate readiness of the food and agricultural sector. Work towards this objective is being supported by newly established roles and organizational units within the ministry, including the establishment of the Emergency Management Branch with additional staff and the expansion of regional extension services supporting producers in adapting to climate change.

**Objective 2.2:** Continue to optimize Business Risk Management programs to meet the recovery needs of BC farmers when they experience a catastrophic loss event

The Business Risk Management (BRM) suite (Production Insurance, AgriStability, AgriRecovery, AgriInvest, Agricultural Wildlife Compensation) assists BC's viable agricultural producers to recover from extreme loss events beyond their control, including production losses, severe

market volatility, extreme weather events, and disasters. The BRM suite of programs evolve through continual review of policy, design and administrative processes so the programs meet the recovery needs of viable BC farmers when catastrophic loss events occur.

#### **Key Strategies**

- Enhanced Client Service: BRM branch (BRMB) is investing in client service improvements
  to BRM programs, including implementing an AgriStability "Notice of Loss" process,
  analyzing behavioral insights analysis to better understand barriers and drivers to BRM
  program participation, and improving and enhancing BRM marketing and
  communication approaches and tools.
- Responsive policy and product development to meet sector needs: BRMB is evaluating the potential to add new insurance products for pasture and tree nurseries, and extending the current grape product probable yield averaging period. B.C. is collaborating with Canada and the other provinces to develop and implement changes nationally to ensure that adequate and equitable BRM protection is available to all farms.
- Engage existing farmer and commodity advisory committees to advise the BRM policy development process: BRMB continues to lead and contribute to policy discussions and development at the Federal-Provincial-Territorial policy tables. Policy development is directly informed by farmers through BC's Risk Management Advisory Committee, multiple Commodity Advisory Committees, and other formal and informal discussions with farmers.

#### Discussion

BRM programs are delivered under the Sustainable Canadian Agricultural Partnership Agreement, with the Ministry administering the Production Insurance, AgriStability, Agricultural Wildlife Compensation programs and AgriRecovery initiatives. AgriInvest is administered by Canada. The Ministry has dedicated resources and expertise to support the implementation of the key strategies for this objective. The ministry participates in all levels of policy discussions and negotiations with Canada and the other provinces and territories. BRMB has developed long-standing relationships with commodity groups and farmers to understand BC farmers' BRM policy positions. The continued discussions with existing agriculture risk management advisory committees will be key to achieving this goal.

#### **Performance Measures**

Performance Measure	2023/24	2024/25	2025/26	2026/27	2027/28
	Baseline	Forecast	Target	Target	Target
2a Number of beneficial management practice projects* completed by farmers which support climate resilient agriculture practices and technologies	653	860	800	800	800

Data source: Ministry of Agriculture and Food (\*includes BMP and EWP projects)

#### Discussion

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

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

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

**Objective 3.1:** Increase the capacity and manage risks for the B.C. agriculture, food and beverage sector to expand domestic and international competitiveness

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

#### **Key Strategies**

- Support a coordinated government presence in collaboration with the Ministry of Jobs, Economic Development, and Innovation, as well as federal-provincial-territorial (FPT) governments on trade agreements, irritants and contingency plans in the event of tariffs.
- Deliver trade diversification seminars and resources for B.C.'s agriculture, food and beverage sector to assist them in understanding market requirements, opportunities and challenges specific to key international markets.
- Provide cost-shared funding through the B.C. Agriculture and Food Export Program to B.C.'s agriculture, food, and beverage businesses to support their ability to conduct market research, establish diversification plans, and conduct market development and diversification activities.
- Increase B.C. processing innovation, productivity and competitiveness through improved industry access to facilities, equipment, technology, training, technical services and other supports.

#### Discussion

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

Expanding market opportunities will require additional actions to address barriers to growth. As food and beverage manufacturing account for 57 percent of B.C.'s total agriculture, food, and seafood industry GDP, there is a strong focus on expanding opportunities for this part of the sector by increasing value-add activities on B.C. grown products, facilitating and enabling food processing innovation, and investments to improve productivity and profitability.

## **Objective 3.2:** Expand and diversify B.C. agriculture, food and beverage export markets.

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

#### **Key Strategies**

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

#### Discussion

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

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

Plant and animal health and welfare are key factors in increasing the production of a wide range of agricultural products for domestic consumption, for sustaining and building public confidence in those products, and for maintaining international trade. Strategies that enhance and protect plant and animal health and welfare in the province are critical to growing and diversifying domestic and export markets.

#### **Key Strategies**

- Provide diagnostic, surveillance, prevention and response programming for priority diseases affecting plant and animal health, as well as food safety, such as avian influenza, African Swine Fever, and Salmonella spp.
- Build genomics capacity for animal and plant health, as well as food safety, in the context of a BC One Health Strategy (a cross-disciplinary approach to optimize the health of people, animals, plants and their shared environments; recognizes that the health of humans, domestic and wild animals, plants, and the wider environment, including ecosystems, are closely linked and inter-dependent).
- Enhance services to help producers meet plant and animal health and animal welfare requirements for expanded market access.
- Collaborate with stakeholder organizations to develop new and improved policy and programming for the welfare of production animals, including access to veterinary services.

### **Objective 3.4:** Supporting Plant and Animal Health

The B.C. Plant and Animal Health Centre (PAHC) sustained significant flood-related damage during the atmospheric river event of November 2021. While extensive rehabilitation work allowed the facility to resume operations, its long-term viability remains uncertain due to ongoing seismic vulnerabilities and its location within a floodplain. Recognizing the substantial impact of the 2021 floods on PAHC operations, the AF continues to plan for a new PAHC facility. As the leading laboratory services provider in Western Canada, PAHC plays a critical role in diagnostic testing for the agriculture sector, including efforts to mitigate trade barriers caused by pests or diseases of concern.

Additionally, PAHC provides zoonotic disease surveillance, helping to safeguard public health in British Columbia. This was demonstrated during recent concurrent outbreaks of highly pathogenic avian influenza, COVID-19, and chronic wasting disease, which led to significant surges in testing demand to determine the scope of outbreaks and assess the effectiveness of response measures.

PAHC remains the only licensed, accredited, staffed, and fully equipped facility in B.C. capable of providing these essential services. Any interruption in operations, such as those experienced during the 2021 flood, increases risks to plant, animal, and public health across the province.

#### **Key Strategies**

- Enhanced Disaster Preparedness and ensuring Business Continuity: Implement flood and seismic resilience measures in the current facility until a new plan is put in place.
   Developing a contingency plan to establish an emergency response and business continuity plan to ensure minimal disruption in case of another flood event.
- Ensuring continuous Service delivery and modernization: Continue to invest cutting-edge technology, laboratory automation and genomics to enhance diagnostic speed and accuracy for disease surveillance and trade compliance by improving early detection systems.
- Strengthening Disease Surveillance and Biosecurity: Enhance Collaboration with Health and Agriculture Sectors: Strengthen partnerships with provincial and federal agencies (Canadian Food Inspection Agency, Public Heath Agency of Canada, Office of the Chief Veterinarian and Public Health Office), industry, veterinarians, and researchers to improve data sharing and response coordination

#### Discussion

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

#### **Performance Measures**

Performance Measure	2023/24	2023/24	2024/25	2025/26	2026/27
	Targets	Actuals	Target	Target	Target
3a Number of B.C. agriculture and food businesses accessing ministry business and market programs	699	705	814	867	917

Data source: Ministry of Agriculture and Food

#### Discussion

In 2023, B.C. exported \$5.7 billion in agriculture, seafood, and processed food and beverage products to 189 different international markets. The top five export markets were the U.S (\$4.3 billion), China (\$530 million), Japan (\$206 million), South Korea (\$124 million), and Hong Kong (\$68 million).<sup>2</sup> Coordinated activities, in partnership with federal and provincial trade

<sup>&</sup>lt;sup>2</sup> Data source: StatsCan: Canadian International Merchandise Trade Web Application (statcan.gc.ca)

representatives, will support B.C. agriculture, seafood, and processed food and beverage businesses to connect to and capitalize on export opportunities.

3a Number of agriculture and food businesses accessing business and market development programs: The number of B.C. agriculture and food businesses that access business and market development programs demonstrate the growth of the sector's capacity to successfully expand and diversify markets. Increasing the number of businesses that access business and market development programs supports market growth and diversification by ensuring businesses are competitive and reducing market risk. This enhances the long-term sustainability of the B.C. agriculture and food sector and promotes economic growth.

## Financial Summary

(\$000s)	2024/25 Restated Estimates <sup>1</sup>	2025/26 Estimates	2026/27 Plan	2027/28 Plan
Operating Expenses				
Science, Policy, and Inspection	18,064	18,311	18,311	18,311
Agriculture Resources	68,425	72,205	75,885	77,925
BC Farm Industry Review Board	1,457	1,473	1,473	1,473
Executive and Support Services	7,058	7,131	7,131	7,131
Agricultural Land Commission	5,453	5,508	5,508	5,508
Production Insurance Account	29,679	38,349	22,019	22,537
Total	130,136	142,977	130,327	132,885
Capital Expenditures				
Executive and Support Services	853	853	853	853
Total	853	853	853	853

<sup>&</sup>lt;sup>1</sup> For comparative purposes, amounts shown for 2024/25 have been restated to be consistent with the presentation of the 2025/26 Estimates.

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

## Appendix A: Public Sector Organizations

As of March 2025, the Minister of Agriculture and Food is responsible and accountable for the following Agencies, Boards, Commissions and Tribunals:

#### **Agricultural Land Commission**

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

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

The <u>British Columbia Farm Industry Review Board</u> (the Board) is an independent administrative tribunal that operates at arm's-length from government. As the regulatory tribunal responsible for the general supervision of B.C. regulated marketing boards and commissions, the Board provides oversight, policy direction and decisions to ensure orderly marketing and to protect the public interest. In its adjudicative capacities, the Board provides a less formal system than the court for resolving disputes in a timely and cost-effective way.

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

The Marketing Boards and Commissions include:

BC Broiler Hatching Egg Commission

BC Chicken Marketing Board

BC Cranberry Marketing Commission

BC Egg Marketing Board

**BC Hog Marketing Commission** 

BC Indigenous Advisory Council on Agriculture and Food

BC Milk Marketing Board

**BC Turkey Marketing Board** 

BC Vegetable Marketing Commission

College of Veterinarians of BC

## Appendix B: Minister's Mandate Letter



January 16, 2025

Honourable Lana Popham Minister of Agriculture and Food Parliament Buildings Victoria, BC V8V 1X4

Dear Minister Popham:

Congratulations on your appointment as Minister of Agriculture and Food at a critical time for our province. Serving as a member of the executive council is a privilege and responsibility which I am confident you will fulfill with integrity and a commitment to the people of our province.

British Columbians have trusted us with a mandate to deliver for them in ways that make a tangible difference in their daily lives. They expect us to listen and learn from people of different perspectives – and work together to make things better for everyone.

Specifically, we will tackle the challenges people worry about at the kitchen table:

- Grow the economy by creating good jobs across British Columbia. We will
  collaborate with businesses, workers, and communities to attract investments in
  both new and traditional sectors as well as emerging sectors of the economy. This
  approach will bring certainty for business, security for workers, and generate the
  wealth needed to support the essential services British Columbians rely on.
- Reduce costs for families including by helping people access homes they can
  afford through support for first-time homebuyers, increasing the supply of rental
  housing stock, and stronger measures to crack down on housing speculation.

.../2

- Strengthen health care by expanding access to family doctors and recruiting and training more health professionals, ensuring that every British Columbian can access the care they need, no matter where they live. We will also increase access to addictions treatment and provide help for people whose struggles require intensive supports.
- Make our neighbourhoods and communities safer by working with law enforcement and social agencies to address street disorder, crack down on organized crime, and do all we can to ensure repeat offenders stay behind bars.

Our commitment to take action on climate change remains foundational and will be key to a healthy and prosperous BC for future generations.

Underlying all this work is our partnership with Indigenous peoples. Advancing reconciliation, implementing the *Declaration on the Rights of Indigenous Peoples Act* and working in partnership with First Nations rights-holders to advance shared interests is the responsibility of every Minister.

Over this mandate I expect you to prioritize making progress on the following:

- In order to protect key services that British Columbians rely on, work with the
  Minister of Finance to review all existing Ministry of Agriculture and Food programs
  and initiatives to ensure programs remain relevant, are efficient, and make life
  better for BC families by supporting BC farmers and food producers. This is important
  in the context of current Provincial budget constraints, market conditions, tariff
  threats, and the economic realities of farmers.
- Help grow the profitability and success of our agricultural sector by ensuring close connection between agricultural stakeholders and government policy makers through a Premier's Task Force with connections to relevant ministries across government.
- Support work led by the Ministry of Jobs, Economic Development and Innovation by working with farmers and food producers, and customers of British Columbia's agricultural products in:
  - advocating against proposed tariffs from the United States and ensuring continued expansion of our agricultural export programs for the mutual success of British Columbians and our trading partners;
  - expanding global markets for our products to diversify and reduce trade risk; and,
  - preparing contingency plans in the event that tariffs are imposed.
- Assume the role of government's liaison to the restaurant industry. In partnership
  with the Minister of Tourism, Arts, Culture and Sport, be innovative in finding ways
  to connect farmers, restaurants, and the tourism sector to grow all three sectors.

- In partnership with the Minister of Public Safety and Solicitor General, support
  work led by that Ministry to reform BC's liquor and cannabis rules in ways that
  support the restaurant and agricultural sector.
- Ensure a continuation of public support for the Agricultural Land Reserve (ALR), including protection of BC families from food price shocks, promotion of financial success for farmers, access to farming as a career for aspiring farmers, and expanded economic growth in the province.
- Ensure that ALR land use restrictions are consistent with the potential and available
  uses of the actual land in the reserve, and that provision is made to expand food
  processing in the province to grow our food processing sector.
- Expand affordability and food security in the province by working with farmers to find ways to control costs for them and for the BC families who rely on their products, and by advocating with the federal government for fair programs for British Columbia food producers.
- Strengthen our regional food systems by supporting farming, expanding local food processing, identifying supply chain disruption vulnerabilities, and by increasing economic opportunities through FeedBC and BuyBC.

To assist you in meeting the commitments we have made to British Columbians, you are assigned a Parliamentary Secretary for Agriculture whose focus will be to:

- Work with you to ensure that farmers and food and beverage producers across the province are represented and heard through the policy development process.
- Work with farmers and food and beverage producers in the Okanagan valley who have been impacted by significant weather-related crop loss.
- Work with Indigenous communities to identify opportunities for expansion of food security initiatives as well as economic development opportunities for rural and remote Indigenous communities.
- Make particular efforts to reach out to young people interested in agriculture and farming to identify their concerns and interests and ensure they are represented at the table.

You will work closely together and ensure your Parliamentary Secretary receives appropriate support to deliver on this work.

As you are aware, we have established an accord with the BC Green Caucus that supports our shared commitment to ensuring stable governance focused on delivering progress

and tangible outcomes for British Columbians. The commitments in that accord complement the direction in these mandate letters.

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

The work we have ahead takes place in a profoundly challenging geopolitical environment. Close friends and neighbours to our south are contemplating imposing draconian tariffs on our products that would hurt both Americans and Canadians. Our allies internationally face governmental instability. Hate and racism are on the rise around the world. Artificial intelligence breakthroughs with unclear implications and astonishing potential are announced daily. Global inflation, snarled supply chains, and war are threatening global economic growth and prosperity as well as the transition to a low-carbon economy.

We have an obligation to protect and defend British Columbians, as well as seize opportunities, in these uncertain times.

The good news is that we have everything we need to succeed, and we will succeed. British Columbia's people – our workers, entrepreneurs, business leaders, artists, and innovators – are among the most talented in the world. We are home to world-class educational institutions and public services. Our natural beauty is unmatched, we have internationally envied resources, and we are one of the most diverse places on the planet. Your job is to help us leverage these advantages in perilous times.

Use this mandate letter to guide your work, and do not be afraid to challenge assumptions, or be innovative, bold and aggressive in achieving the goals set out for you and your Ministry by the people of this province.

Thank you for joining me in the work ahead.

Sincerely,

David Eby, KC Premier

cc: Harwinder Sandhu, MLA

Parliamentary Secretary for Agriculture

## **Legislation Overview**

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

Act	Details		
<ul> <li>Premises         <ul> <li>Identification</li> <li>Regulation.</li> </ul> </li> <li>Reportable and         <ul> <li>Notifiable Disease</li> <li>Regulation.</li> </ul> </li> <li>Farm Income Insurance Act</li> </ul>	<ul> <li>Place greater accountability on persons responsible for animals to ensure that on-farm practices prevent the occurrence and spread of disease.</li> <li>Work with industry and other governments to monitor animal health and to participate in health management and research programs.</li> </ul> The Act enables the establishment and administration of farm income plans, which are administration of farm income plans.		
Farm Income Plans     Regulation.	administration of farm income plans, which are voluntary participation programs for British Columbia (B.C.). farmers designed to provide the guarantee or assurance of income, or for the payment of money to reduce losses caused by price fluctuations such as low market return and escalating input costs.		
Farm Practices Protection (Right to Farm) Act  • British Columbia Farm Industry Review Board Regulation.  • Specialty Farm Operations Regulation.	The Act ensures that farmers can farm in the ALR and on land that is designated for, or allows farm use, by protecting them from nuisance lawsuits, nuisance bylaws, and prohibitive injunctions if they are using normal farm practices. The B.C. Farm Industry Review Board (BCFIRB) was established to deal with complaints about farm practices, including the ability to order a farmer to improve or to stop poor farm practices. BCFIRB builds on an existing peer review process to investigate and attempt to resolve disputes before hearings are held.		

Act	Details
<ul> <li>Farmers and Women's Institutes Act</li> <li>Farmers and Women's         Institutes Act Regulation.     </li> </ul>	Farmers' and Women's Institutes are rural organizations concerned with most aspects of farming industry and society from a community agriculture point of view. The Act describes the purposes for which Farmers' and Women's Institutes may be incorporated and provides a process for incorporation. It authorizes the appointment of a Superintendent of Farmers' Institutes to discharge the duties assigned by the Minister of Agriculture and Food (the Minister) or regulations.
Farming and Fishing Industries Development Act  Blueberry Industry Development Fund Regulation.  British Columbia Salmon Marketing Council Regulation.  British Columbia Wine Grape Council Regulation.  Cattle Industry Development Council Regulation.  Dairy Industry Development Council Regulation.  Grain Industry Development Fund Regulation.  Raspberry Industry Development Council Regulation.  Woodlot Product Development Council Regulation.	The purpose of this Act is to enable producers of commodities in the farming and fishing industries to collect levies approved by the Lieutenant Governor in the Council. The Minister establishes a council to administer the levy fund and apply those funds to promote and benefit their industries.

Act	Details		
Fish and Seafood  Fish and Seafood  Licensing Regulation.  Enforcement Regulation.	The Minister is responsible for the Act except as it relates to licensing respecting the growing of aquatic plants and the harvesting of wild aquatic plants.  The Act ensures that any fish or aquatic plants that may be distributed to the public for human consumption meet food safety standards. The Act enables a licensing regime and creates an inspection and enforcement system to ensure license holders are complying with the Act and with any terms or conditions of their license. A range of punitive options ranging from administrative penalties to criminal charges is available. The Act also outlines record keeping and reporting requirements, and allows for the making of orders, and their reassessment, reconsideration, and review. The Minister is authorized to designate licensing officers, reviewing officers, analysts, and inspectors. The Minister may delegate their powers or duties under specific provisions (s.17, s.27, s.46) to a person or class of persons.		
Food and Agricultural Products Classification Act	This Act provides a grading and classification system for food and agricultural products produced or distributed in B.C. based on quality, physical attributes, or method of production. The Act also allows for the creation of protected labels for prescribed products, such as requiring certification to be able to use the word "organic" in the marketing of organic products. The purpose of these provisions is to support and strengthen consumer confidence and decision-making. The Act also contains provisions for inspector appointments, duties, powers, responsibilities, reporting, record-keeping requirements, compliance, and enforcement.		

Act	Details
• Meat Inspection Regulation.	The Minister is responsible for the Act as it relates to food establishments where animals are slaughtered for food purposes.  The Act requires operators of food establishments to be responsible for ensuring that their food is safe for human consumption. The Act provides for a licensing system for food establishments, and for the summary suspension, or amendment of the license if the operation of a food establishment poses a risk to human health or safety. Standards for establishments are set out in regulations. The appointment and powers of inspectors are described, including the ability to prohibit sales of food where operators have not complied with regulations. An inspector can seize and destroy food that is contaminated or unfit for human consumption, and the Minister may order a recall of such food that has been sold or distributed.
<ul> <li>Insurance for Crops Act</li> <li>Continuous Crop Insurance Regulation.</li> </ul>	The Act empowers the Minister to enter into a crop insurance agreement with the federal government. Under this agreement, it also authorizes the establishment and administration of schemes of crop insurance in the province, and the establishment of a crop insurance fund.
<ul> <li>Livestock Act</li> <li>Livestock Regulations.</li> <li>Pound Districts Regulation.</li> </ul>	The Act permits the establishment of livestock districts where, with minor exceptions, livestock may run at large within the district boundaries. It also permits the establishment of Bull Control areas, which under the direction of a Bull Control Committee, determine the number, breed, breeding, quality, and age of bulls allowed to run at large within the area. The Act also allows for the establishment of pound districts to allow keepers, peace officers, and others to capture animals at large within a specified area and allows for the sale of unclaimed impounded animals and the reimbursement of the keeper.

Act	Details		
	A Livestock Notice is published under the Act, although it is not a regulation. It sets out bull control areas, livestock districts, and pound districts.		
• Livestock Identification Act  • Livestock Identification Regulation.	The Act allows the livestock industry to establish a system for registration of brands in the province for brand inspection and the transfer of brands. The Act allows for the appointment of inspectors, describes the powers of inspectors, and outlines the process for handling complaints. The Act includes a requirement to keep records of livestock transactions and to present such records to inspectors upon request.		
Livestock Lien Act	The Act creates a possessory lien in favour of every keeper of a livery, boarding or sale stable, and every agistor of cattle holding any livestock or effects. An agistor is a person that feeds or pastures an animal for a fee. The lien on the livestock or effects left with them by their owners is for the value or price of food, care, attendance, or accommodation furnished for the livestock.		
• Right to Farm Regulation.	The Minister is responsible for s. 481 (1) and s. 551 – 554.  The provisions dealing with farm bylaws are the administrative responsibility of the Minister responsible for the <i>Farm Practices Protection (Right to Farm) Act</i> . These sections allow for the setting of provincial standards for local government (land use and farm) bylaws, enable the development of special bylaws for farming, and direct that local government bylaws be reviewed in relation to the provincial standards.		
Milk Industry Act  • Dairy Plant Exception Regulation.	The Minister is responsible for s. 12 as it relates to bulk tank milk grader licenses, and the remainder of the Act.		

The Act ensures the safety and quality of all milk and milk products by requiring certification of dairy farms and licensing of dairy plants. The Act also ensures that all milk sold comes from certified dairy farms and that all milk processed into dairy products, except for raw milk used in the production of certain specialty cheeses, is pasteurized. The Act also outlines the role of the B.C. Milk Marketing Board in determining payment to milk producers.  The Act is supported by the Milk Industry Standards Regulation which details standards for cleanliness and quality during all phases of milk production and processing.  The Minister issues bulk tank milk grader licenses; the Minister of Health issues licenses for
persons operating or working in dairy plants.  Although the Ministry has changed names several times, this Act describes the purposes and functions of the Ministry, which include matters relating to:  • Production, marketing, processing, and merchandising of agricultural products and food,  • Institution and carrying out of advisory, research, promotional or education extension programs, projects or undertakings relating to agriculture and food; and  • Collection of information and preparation of statistics relating to agriculture and food and the dissemination of these statistics as the Minister considers advisable.

Act	Details	
Ministry of Forests and Range Act	s. 4(d)(ii) and (e) as those provisions relate to the portfolio of the Minister.  This section of the Act relates to the government's responsibility to encourage an efficient and competitive ranching sector.	
<ul> <li>Natural Products Marketing (BC) Act</li> <li>BC Egg Marketing Board Powers and Duties Regulation No.1.</li> <li>BC Egg Marketing Board Powers and Duties Regulation No. 3.</li> <li>B.C. Broiler Hatching Egg Scheme.</li> <li>B.C. Chicken Marketing Scheme.</li> <li>B.C. Cranberry Marketing Scheme.</li> <li>B.C. Egg Marketing Scheme.</li> <li>B.C. Hog Marketing Scheme.</li> <li>B.C. Milk Marketing Board Regulation.</li> <li>B.C. Turkey Marketing Scheme.</li> <li>B.C. Vegetable Scheme.</li> <li>Natural Products Marketing (BC) Act Regulation.</li> </ul>	The Act provides for a system of schemes for individual commodities to promote, control and regulate production, transportation, packing, storage, and marketing of natural products in the province, including prohibition of that production, transportation, packing storage, and marketing in whole or in part. The Act provides for the constitution of marketing boards and commissions under the schemes and provides them with powers vested by the Lieutenant Governor in Council. A supervisory and appellate Board, BCFIRB, is also created under the Act.  There is no BC Egg Marketing Board Powers and Duties Regulation No. 2	
<ul> <li>Plant Protection Act</li> <li>Bacterial Ring Rot         Regulation.</li> <li>Blueberry Maggot         Control Regulation.</li> <li>Domestic Bacterial Ring         Rot Regulation.</li> <li>Golden         Nematode         Regulation.</li> <li>Little Cherry         Control Regulation.</li> </ul>	The Minister is responsible for the Act except as it relates to the treatment of the Spongy Moth.  The Act provides for the prevention of the spread of pests destructive to plants in B.C., including the powers of inspectors and the authority to establish quarantine areas.	

Act	Details
<ul> <li>Japanese Beetle Control Regulation.</li> <li>Spongy Moth Eradication Regulation.</li> </ul>	
<ul> <li>Prevention of Cruelty to Animals Act</li> <li>Prevention of Cruelty to Animals Regulation.</li> <li>Sled Dog Standards of Care Regulation.</li> <li>Cattery and Kennel Regulation.</li> <li>Animal Care Codes of Practice Regulation.</li> </ul>	The Act ensures the humane treatment of animals by providing a legislative mandate for the Society for the Prevention of Cruelty to Animals in B.C. It outlines the membership, the constitution, and powers of society, including the inspection powers of their officers, rights of seizure, and disposal or sale of animals taken into custody. The Act identifies standards of care for animals and duties of operators of regulated activities involving animals. The Act provides specific protection of service animals and prohibits baiting and fighting animals. The Act specifies that appeals regarding the seizure of animal(s) can be made to BCFIRB.
<ul> <li>Seed Potato Act</li> <li>Cariboo Certified Seed         Potato Control Area         Regulation.</li> <li>Pemberton Certified         Seed Potato Control         Area Regulation.</li> <li>Seed Potato Regulation.</li> </ul>	The Act facilitates the growing of certified seed potatoes and provides for the constitution of seed potato control areas, appointment of seed control committees (the functions, powers, and duties). The Act also places restriction of growth of any potato seed of a variety prescribed by the committee in a seed potato control area.
Special Accounts Appropriation and Control Act	The Minister is responsible for s. 9.2.  This section of the Act allows for the creation of a special account known as the Production Insurance Account that is used to fund government insurance payments under the Insurance for Crops Act.

Act	Details
Veterinarians Act	The Act provides a legislative framework for those practicing veterinary medicine in the province to regulate their qualifications, registration, standards of conduct and practice, and conduct investigations and disciplinary proceedings when required. The British Columbia Veterinary Medical Association is continued as the College of Veterinarians of British Columbia (the College). The College may make bylaws, some of which must be approved by registrants. The College may certify technicians and establish bylaws related to the practice of aspects of veterinary medicine by technicians.
<ul> <li>Veterinary Drugs Act</li> <li>Veterinary Drug and Medicated Feed Regulation.</li> </ul>	The Act restricts the sale and manufacture of medicated feeds and veterinary drugs except by a pharmacist or a veterinarian licensed under this Act. The Act also allows for the inspection of premises on which medicated feeds or veterinary drugs are manufactured or sold. The Minister may prohibit the use of certain drugs if considered to be dangerous to a person or animal.

Approved by:	Prepared by:	Alternate Contact:
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January 16, 2025

Honourable Lana Popham Minister of Agriculture and Food Parliament Buildings Victoria, BC V8V 1X4

Dear Minister Popham:

Congratulations on your appointment as Minister of Agriculture and Food at a critical time for our province. Serving as a member of the executive council is a privilege and responsibility which I am confident you will fulfill with integrity and a commitment to the people of our province.

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Specifically, we will tackle the challenges people worry about at the kitchen table:

- Grow the economy by creating good jobs across British Columbia. We will
  collaborate with businesses, workers, and communities to attract investments in
  both new and traditional sectors as well as emerging sectors of the economy. This
  approach will bring certainty for business, security for workers, and generate the
  wealth needed to support the essential services British Columbians rely on.
- Reduce costs for families including by helping people access homes they can
  afford through support for first-time homebuyers, increasing the supply of rental
  housing stock, and stronger measures to crack down on housing speculation.

.../2

- Strengthen health care by expanding access to family doctors and recruiting and training more health professionals, ensuring that every British Columbian can access the care they need, no matter where they live. We will also increase access to addictions treatment and provide help for people whose struggles require intensive supports.
- Make our neighbourhoods and communities safer by working with law enforcement and social agencies to address street disorder, crack down on organized crime, and do all we can to ensure repeat offenders stay behind bars.

Our commitment to take action on climate change remains foundational and will be key to a healthy and prosperous BC for future generations.

Underlying all this work is our partnership with Indigenous peoples. Advancing reconciliation, implementing the *Declaration on the Rights of Indigenous Peoples Act* and working in partnership with First Nations rights-holders to advance shared interests is the responsibility of every Minister.

Over this mandate I expect you to prioritize making progress on the following:

- In order to protect key services that British Columbians rely on, work with the
  Minister of Finance to review all existing Ministry of Agriculture and Food programs
  and initiatives to ensure programs remain relevant, are efficient, and make life
  better for BC families by supporting BC farmers and food producers. This is important
  in the context of current Provincial budget constraints, market conditions, tariff
  threats, and the economic realities of farmers.
- Help grow the profitability and success of our agricultural sector by ensuring close connection between agricultural stakeholders and government policy makers through a Premier's Task Force with connections to relevant ministries across government.
- Support work led by the Ministry of Jobs, Economic Development and Innovation by working with farmers and food producers, and customers of British Columbia's agricultural products in:
  - advocating against proposed tariffs from the United States and ensuring continued expansion of our agricultural export programs for the mutual success of British Columbians and our trading partners;
  - expanding global markets for our products to diversify and reduce trade risk; and,
  - preparing contingency plans in the event that tariffs are imposed.
- Assume the role of government's liaison to the restaurant industry. In partnership
  with the Minister of Tourism, Arts, Culture and Sport, be innovative in finding ways
  to connect farmers, restaurants, and the tourism sector to grow all three sectors.

- In partnership with the Minister of Public Safety and Solicitor General, support
  work led by that Ministry to reform BC's liquor and cannabis rules in ways that
  support the restaurant and agricultural sector.
- Ensure a continuation of public support for the Agricultural Land Reserve (ALR), including protection of BC families from food price shocks, promotion of financial success for farmers, access to farming as a career for aspiring farmers, and expanded economic growth in the province.
- Ensure that ALR land use restrictions are consistent with the potential and available
  uses of the actual land in the reserve, and that provision is made to expand food
  processing in the province to grow our food processing sector.
- Expand affordability and food security in the province by working with farmers to find ways to control costs for them and for the BC families who rely on their products, and by advocating with the federal government for fair programs for British Columbia food producers.
- Strengthen our regional food systems by supporting farming, expanding local food processing, identifying supply chain disruption vulnerabilities, and by increasing economic opportunities through FeedBC and BuyBC.

To assist you in meeting the commitments we have made to British Columbians, you are assigned a Parliamentary Secretary for Agriculture whose focus will be to:

- Work with you to ensure that farmers and food and beverage producers across the province are represented and heard through the policy development process.
- Work with farmers and food and beverage producers in the Okanagan valley who have been impacted by significant weather-related crop loss.
- Work with Indigenous communities to identify opportunities for expansion of food security initiatives as well as economic development opportunities for rural and remote Indigenous communities.
- Make particular efforts to reach out to young people interested in agriculture and farming to identify their concerns and interests and ensure they are represented at the table.

You will work closely together and ensure your Parliamentary Secretary receives appropriate support to deliver on this work.

As you are aware, we have established an accord with the BC Green Caucus that supports our shared commitment to ensuring stable governance focused on delivering progress

and tangible outcomes for British Columbians. The commitments in that accord complement the direction in these mandate letters.

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

The work we have ahead takes place in a profoundly challenging geopolitical environment. Close friends and neighbours to our south are contemplating imposing draconian tariffs on our products that would hurt both Americans and Canadians. Our allies internationally face governmental instability. Hate and racism are on the rise around the world. Artificial intelligence breakthroughs with unclear implications and astonishing potential are announced daily. Global inflation, snarled supply chains, and war are threatening global economic growth and prosperity as well as the transition to a low-carbon economy.

We have an obligation to protect and defend British Columbians, as well as seize opportunities, in these uncertain times.

The good news is that we have everything we need to succeed, and we will succeed. British Columbia's people – our workers, entrepreneurs, business leaders, artists, and innovators – are among the most talented in the world. We are home to world-class educational institutions and public services. Our natural beauty is unmatched, we have internationally envied resources, and we are one of the most diverse places on the planet. Your job is to help us leverage these advantages in perilous times.

Use this mandate letter to guide your work, and do not be afraid to challenge assumptions, or be innovative, bold and aggressive in achieving the goals set out for you and your Ministry by the people of this province.

Thank you for joining me in the work ahead.

Sincerely,

David Eby, KC Premier

cc: Harwinder Sandhu, MLA

Parliamentary Secretary for Agriculture

## **Agri-Industrial Processing in the ALR**

#### RECOMMENDED RESPONSE:

- The ALR Use Regulation permits agri-industrial processing in the ALR without ALC approval subject to certain thresholds set out in the ALR Use Regulation.
- Permitted agri-industrial processing activities in the ALR include:
  - Storing, packing, preparing, and processing farm products if at least 50% of the farm products are from the farm where the facility is located, or a co-operative.
  - Alcohol production if the farm parcel produces and harvests at least 2 hectares of the primary farm product (grapes, fruit, honey, grain, etc.) and the remainder of the 50% is contracted from other BC farms.
- Permitted farm product storing, packing, preparing, and processing cannot be prohibited by a local government if:
  - o at least 50% of the farm product is produced on the farm or by a cooperative, or
  - is feed required for farm use.
- "farm product" means a commodity that is produced from a farm use but does not include water. E.g. Vegetables, fruit, livestock, crops, etc.
- Permitted alcohol production facilities cannot be prohibited by a local government if:
  - at least 50% of the primary farm product is harvested from the land on which the alcohol production facility is located, or
  - harvested from the land the facility is located on and other land in BC under a contract (min. three years).
  - "primary farm product" in alcohol production means the farm product that is the primary ingredient used in the fermentation process to make an alcohol product.
- Other permitted activities in the ALR that may be related to industrial uses subject to local government zoning bylaw regulation include temporary sawmills & home occupation uses which could allow for a wide range of accessory commercial and industrial uses.
- Landowners wishing to process more off-farm product than permitted by the ALR Use Regulation or conduct a use not expressly permitted in the regulations may apply for non-farm use approval to the ALC.
- This fiscal to date (to Jan 21, 2025) the Commission approved the following agriindustrial processing applications:
  - 1 Biogas facility (App 66852 Abbotsford)
  - 3 Abattoirs (App 69905 Comox Valley RD, App 68107 Kootenay Boundary RD, and App 68894 - Kootenay Boundary RD)
  - o 1 Bio-Char processing facility (App 100778 Columbia Shusway RD)
  - 1 Poultry processing facility (App 100666 Bulkley Nechako RD)
  - 1 Bamboo processing facility (App Fraser Valley RD)
  - 1 Spent mushroom manure/soil blending facility (App 63134 Abbotsford)

#### BACKGROUND:

- Prior to 2002 processing of farm product in the ALR wasn't permitted. The 50% rule for farm product processing as it is often called was first introduced in 2002. Prior to 2002, the ALC Act and regulations only permitted the sale and storage of products produced by the farm. No one was permitted to sell or store farm products produced by other farm and anyone wanting to process their own farm products or products from other farms had to apply to the Commission for approval.
- Examples of agri-industrial applications approved by the ALC since 2017:

#### 2023

- Dairy/Milk Processing (Application 59708 –Surrey)
- Poultry abattoir and processing (Application 66793 Cowichan Valley RD)
- Food Hub for processing (Application 64507 Kootenay Boundary RD)
- Fill placement for 75 member Egg Cooperative (Application 68541 Abbotsford)

#### 2022

- Fruit receiving (Application 63027 Kelowna)
- Seaweed processing (Application 63693 Strathcona RD)

#### 2021

- 2 Sawmills (Application 61618 Strathcona Regional District & Application 62033 - Grindrod)
- Dairy/Milk Processing (Application 61323 Abbotsford)
- Feed Mill (Application 61408 Spallumcheen)
- Poultry abattoir and processing (Application 62830 Comox Valley RD)
- Mobile juicing (Application 61846 Coldstream)

#### 2020

- Meadow Valley Meats processing expansion (Application 61762 Pitt Meadows)
- Dicklands On-Farm Biogas (Application 60992 Chilliwack)
- Feed mill (Application 60537 Salmon Arm)
- Poultry abattoir and processing (Application 56717 Port Alberni)

#### 2019

Sawmill (Application 58204 - Radium Hot springs)

#### 2018

- Feed mill (Application 56727 Chilliwack)
- Fruit packing and cold storage facility (Application 57890 Osoyoos)

#### 2017

Federal-inspected beef abattoir (Application 54999 –Surrey)

## CROSS JURISDICTIONAL COMPARISON:

- Ontario Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas
  - Recommends that "Agriculture related uses" include farm-related commercial and industrial uses not exceed more than 2% lot coverage.

### ESTIMATE NOTE- FISCAL 2025/26

## Ministry of Agriculture and Food

- o Agriculture related uses in prime agricultural areas must meet criteria:
  - Be farm related and may include farm product processing, abattoirs, feed mills, grain dryers, cold/dry storage facilities, fertilizer storage, food and beverage processors and agricultural biomass pelletizers
  - Be compatible with, and not impair, surrounding agricultural operations
  - Be directly related to farm operations in the area

Approved by:	Prepared by:	Alternate Contact:
Name: Kim Grout	Name: Claire Buchanan	Name: Liz Sarioglu
Date approved: 01-27-25	Branch: ALC	Branch: ALC
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## Agri-Tech Vertical Farming in the ALR

#### RECOMMENDED RESPONSE:

- The ALR Use Regulation was amended, effective August 31, 2022, to clarify that vertical farming of crops in controlled environment structures is a permitted farm use in the ALR if permitted by local government regulation.
- Local governments can prohibit by bylaw the construction of controlled environment structures in the ALR.
- Up to 1,000 m<sup>2</sup> of fill may be placed to construct a farm structure in the ALR, including controlled environment structures, without involvement of the ALC.
- If an area of fill is greater than 1,000 m<sup>2</sup> is required approval from the Commission is necessary.
- This fiscal to-date (as of January 21, 2025) the ALC has received no Notices of Intent and no Soil and Fill Use applications to place fill on an area greater than 1,000m² for a controlled environment vertical farming structure in the ALR.
- Since the regulatory change in 2022 the ALC has received only one NOI and one Soil and Fill Use Application

#### **BACKGROUND:**

- Vertical farming of crops in controlled environment structures is a permitted farm use in the ALR.
- Up to a 1,000 m² area of fill may be placed to construct a controlled environment farm structure in the ALR. If an area greater than 1,000 m² is impacted, the landowner is required to submit either a Notice of Intent or an application for placement of fill depending on the scale and impact of the proposal on the ALR.
- This fiscal to date (as of January 21, 2025) the ALC received no Notices of Intent to place fill for the construction of a controlled environment structure and no Soil or Fill Use applications.

Туре	2024/2025	2023/2024	2022/2023	2021/2022
Notice of Intent	0	0	0	1
Soil or Fill Use Application	0	0	0	1

## ESTIMATE NOTE- FISCAL 2025/26

## Ministry of Agriculture and Food

Confidential Advice to Minister

- The one application and one NOI received in 2021 are:
  - o Application 62987 Aright Agro Estates Ltd. in Abbotsford
  - o Notice of Intent 64333 Sea to Sky Farms in Squamish

## **CROSS JURISDICTIONAL COMPARISON:**

N/A

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

N/A

Approved by:	Prepared by:	Alternate Contact:
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Date approved: Jan 30, 2025	Branch: ALC	Branch: ALC
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## Agricultural Land Commission (ALC) - Commissioners and **Panels**

#### RECOMMENDED RESPONSE:

- The ALC Act requires the Commission to consist of at least 11 members but no more than 19 members, with no more than 3 members from each of the 6 ALR Administrative Regions, not including the Chair.
- The Commission Chair is appointed by Order in Council of the Lieutenant Governor in Council, and Commission members are appointed by Ministerial Order of the Ministry of Agriculture and Food.
- The Chair has the authority under the ALC Act to appoint one or more Vice-Chairs to serve on the Executive Committee from the members appointed by the Minister and to appoint members to panels for decision-making.
- There are currently 18 Commission members appointed to the ALC including the Chair, Jennifer Dyson.
- The Chair has appointed 5 Vice Chairs, to serve with her on the Executive Committee.
- The Chair of the Commission may establish panels consisting of two or more members of the Commission based on administrative region, member expertise, application type or any other criteria determined by the Chair.
- The Chair has established:
  - o a 2–3-member panel for each one of the six (6) administrative regions in the
  - o a 6-member panel to decide on all soil and fill use applications in the province.
  - a 3-member panel to decide on all filming applications that request more than 60 days of filming per calendar year from all six (6) administrative regions.
- The ALCA sets out that Commission members must be appointed using a merit-based process based on their knowledge and experience in agricultural, land use planning, local government or first nations government.
- ~72% of the Commissioners (13 of 18) either own/operate or are involved in agricultural operations, including the production of livestock (dairy, beef, water buffalo, pigs & poultry), vegetables, forage, hazelnuts, tree fruits & other fruits for both local & global markets.
- ~66% of the Commissioners (12 of 18) have experience in local government, First Nation band council, law, agrology, farm business advisory, custom farming service, agritourism and community services.
- The Commissioners have experience serving on other boards, councils and associations that are agricultural and land use planning related, such as.
  - BC Hereford Association
  - BC Cherry Association
  - BC Cattlemen's Association

- Agricultural Associations and Agricultural Advisory Committees within their communities.
- BC Dairy Association
- BC Agricultural Council
- BC Assessment
- Canadian Food Policy Advisory Council
- BC Grasslands Council
- Union of BC Municipalities
- First Nation Band Council
- National Farmer's Union

#### **BACKGROUND:**

#### Jennifer Dyson- Commission Chair and Island Panel Chair

- Appointed Chair in May 2018 until May 14, 2025.
- Previous Commissioner/Vice Chair 2008 to January 2017 (~8 yrs).
- Alberni-Clayoquot Regional District
- Owner/Operator of a water buffalo dairy and direct farm market in Port Alberni.
- Former: Member of Minister's Independent Committee on ALC/ALR Revitalization, Environmental Farm Plan Working Group, and Island Agri-Food Initiative; Co-founder of Island Farmer's Alliance, Western Women's rep appointed by BC Agriculture Council to the Canadian Federation of Agriculture and former executive director of the Agricultural Workforce Policy Board.

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

#### Ione Smith - - Vice Chair and Panel Chair

- Appointed October 2017 until November 1, 2025
- Appointed Vice Chair and Chair of the South Coast Panel October 2018
- Sunshine Coast Regional District
- Founder of Upland Agricultural Consulting, Registered Professional Agrologist and Farm Business Advisor in Sechelt, member of BC Food Systems Network Steering Committee.

#### Susan Gimse

- Appointed October 2018 until Oct 25, 2025
- Squamish-Lillooet Regional District (SLRD)
- Owner/Operator of a cattle farm in Pemberton,
- BC Assessment Appeal Board Member and formerly: Chair of the Squamish Lillooet Reginal District, Councilor for the Town of Pemberton, on the SLRD Area C Agriculture Advisory Committee, President and Board Member of the Federation of Canadian Municipalities, Executive of the Union of BC Municipalities.

#### **Holger Schwichtenberg**

Appointed March 2021until March 12, 2029

- Fraser Valley Regional District
- Owner/Operator/ Manager of cow dairy in Agassiz (Holberg Farm Ltd.),
- Member of the Mainland Milk Producers Association
- Former: Chair of the BC Dairy Association, Director of the Mainland Milk Producers Association and Council member District of Kent.

## <u>Island Administrative Region (2 Members)</u>

#### **Brenda Schoepp**

- Appointed in January 2023 until January 1, 2027
- Capital Regional District
- Sustainable Agriculture Team Lead on the Canadian Food Policy Advisory Council, Director of Creative Thought, Global Food Lead, Charter Member, Indigenous Works, Team Member for the National Index on Agri-Food Performance, Board Member on the Programs and Research Council at Royal Roads University, Executive on the Canadian International Council, Victoria Branch,
- · Former: Farmer/Rancher and Consultant

#### Jeff MacCallum

- Appointed August 1, 2024, until August 1, 2026
- Nanaimo Regional District
- Third generation farmer; active member of the BC Cattleman
- Custom farming and consulting services

#### Jan Slomp

- Appointed December 19, 2024, until December 19, 2026
- Comox Valley Regional District
- · Former: hog farmer in the Netherlands, Dairy Farmer in Alberta, beef operator on Vancouver Island, National Farmers Union and Comox Valley Farmer's Institute board member

## Okanagan Administrative Region (2 Members)

#### Joseph Dueling – Panel Chair

- Appointed December 2019 to December 30, 2024
- Regional District of the North Okanagan
- Practicing lawyer with Deuling and Company Law Office, owner/operator of a family farm with berries and fruit, cattle, pigs, bees, and chickens, Director of the North Okanagan Parks and Natural Areas Trust and the Lumby and District Senior Citizens Housing Society, Member of Lumby and District Chamber of Commerce
- Former: Director of the Lumby and District Chamber of Commerce, Trustee for School District 22

#### **Erin Carlson**

Appointed December 2022 until December 19, 2025

- Okanagan Similkameen Regional District
- Supervisor and Operations Manager at Carcajou Fruit Company Ltd., Treasurer of the BC Cherry Association
- Former: Project Coordinator for the BC Cherry Association, Council member District of Summerland, Board member and Vice Chair of the Okanagan Regional Library, Director of the Savanna Ridge Cherry Co.

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

### **Robert Haywood Farmer**

- Appointed January 2017 until January 1, 2028
- Thompson Nicola Regional District
- Owner of the Indian Gardens Ranch, member of the BC Institute of Agrologists, BC Cattlemen's Association and the BC Livestock Association., Director for the Kamloops Stock Association, a Panelist for the Thompson-Nicola Regional District (TNRD) Farm Advisory Committee and a Panelist for the Canadian Intermountain Joint Venture (CIJV), President of the BC Grasslands Council
- Former: Panelist for the Bank of Montreal Agricultural Advisory Board, the Farm Credit Appeal Board and the Farm Debt Review Board

### **Chad Stump**

- Appointed November 1, 2024, until November 1, 2026
- Cariboo Regional District
- From the ?Esdilagh First Nation, a small community south of Quesnel BC. Owner of a small farm located within the Quesnel District. Executive director for the Echen Healing Society, Chief leader in the Echen Deni, and a proud member of the Tŝilhqot'in.
- Former: Chair for the Cariboo Regional District Agriculture Development Advisory Committee.

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

### Jerry Thibeault- Vice Chair and Panel Chair

- Appointed October 2018 until October 25, 2025
- Appointed Vice Chair in February 2023
- Previously served on the Commission from 2008 to 2015 (~7 yrs)
- East Kootenay Regional District
- Owner/Operator of a ranch in Cranbrook
- Former: East Kootenay Coordinator for a Highway Fencing Project with the BC Ministry of Highways, Livestock Inspector for Ownership Identification Inc. and the BC Ministry of Agriculture, Committee Chair with the Kootenay Livestock Association.

#### Danna O'Donell

- Appointed December 2022 until December 19, 2026
- Regional District of Kootenay Boundary
- Owner/farmer O'Donnell's Organic Farm in Grand Forks, BC, Certified Horticulturalist,

 Former: Director of Regional District Kootenay Boundary, member of the Executive Association Kootenay Boundary Local Governments and member of the Executive West Kootenay Boundary Regional Hospital District

### **Wayne Harris**

- Appointed December 2022 until December 19, 2027
- · Regional District of Central Kootenay
- Owner and President of Kootenay Meadows/Mountain Valley Dairy Ltd., Director of Kootenay Milk Producers
- Former: Owner of Wayden Wood Products and worked in Sales for A.F.A. Forest Products

### North Administrative Region (3 Members)

### Janice Tapp- Vice Chair and Panel Chair

- Appointed October 2018 until October 23, 2025
- Regional District of Bulkley-Nechako
- Owner/Operator of a cattle ranch in Fraser Lakes, President of the Nechako Valley Regional Cattlemen's Association, Vice President of the Fort Fraser Livestock Association, Director of the Fraser Lake Community Foundation Endowment Fund and Secretary/ Treasurer for the B.C. Hereford Association
- · Formerly: Public-School Teacher

### **Andrew Adams**

- Appointed October 2018 until December 1, 2026
- Regional District of Fraser Fort George
- Owner/Operator of Hope Farm Organics, Director for District C Central Interior Farmers
  Institute and the Prince George Farmers Market, Secretary for Eaglet Lake Farmers
  Institute, Land Matcher with BC Land Matching Program
- Former: Warehouse Manager for E.J Bartells, Park Ranger for the United States Army Corps of Engineers, Forest Ecologist, Forest Technician and Agronomist for DWB Consulting

#### Karen McKean

- Appointed April 2020 until April 30, 2028
- Peace River Regional District
- Licensed BC Interior Log Scaler with Northern Lights Log Scaling and a Ranch Hand with Ardill's Ranch Ltd., Regional Secretary/Treasurer for the Peace River Regional Cattlemen's Association
- Formerly: licensed BC Log Scaler with L and B Log Scaling and Peace Wood Products,
   Northeast BC and Yukon Female District Representative for the BC Hockey Association and Treasurer of the North Peace Eagles Female Hockey

### Soil and Fill Panel (7 Members)

### ESTIMATE NOTE- FISCAL 2025/26

# Ministry of Agriculture and Food

Confidential Advice to Minister

Jennifer Dyson (Commission Chair)
Robert Haywood Farmer (Interior Administrative Region)
Holger Schwichtenberg (South Coast Administrative Region)
Jerry Thibeault (Kootenay Administrative Region)
Karen McKean (North Administrative Region)
Erin Carlson (Okanagan Administrative Region)

### Film Panel (3 Members)

Jennifer Dyson (Commission Chair)
Bob Haywood Farmer (Interior Administrative Region)
Ione Smith (South Coast Administrative Region)

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

# **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

Approved by:	Prepared by:	Alternate Contact:
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Date approved: Jan 31, 2025	Branch: ALC	Branch: ALC
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# **ALC Application Processing Timelines**

### **RECOMMENDED RESPONSE:**

- The ALC has performance timeline targets for: acknowledging receipt of applications, releasing decisions, and notifying applicants on the release of their decision.
- The ALC may "pause" processing timelines for applicant meetings, site visits, requests for additional information, and at the request of the applicant.
- Between April 1, 2024, and December 31, 2024, the ALC received 226 new applications.
- Between April 1, 2024, and December 31, 2024, the ALC released 268 decisions which over this time-period works out to an average of 30 decisions per month.
- Between April 1, 2024, and December 31, 2024, 53% of decisions were released within 90 business days (Target 90%) which is an improvement over the previous fiscal (48%).
- Between April 1, 2024, and December 31, 2024, 100% of decisions were provided to applicants within 5 days of the decision being finalized.
- The ALC is an administrative tribunal that must provide written reasons that set out the
  issues to be decided under the law and make findings based on the evidence presented
  in each application.
- While it can be difficult to forecast the volume and degree of complexity of applications and their impacts on processing times, the single most significant driver for application processing continues to be staffing.
- The ALC expects processing performance targets to continue to improve.

- On March 3, 2016, by Ministerial Order, the then Minister of Agriculture provided the ALC with performance targets for the processing applications pursuant to the Agricultural Land Commission Act.
- When this ministerial order timed out, the ALC continues to strive to release the majority of its decisions within 60 to 90 business days.
- These business day timelines are specific to the Commission's component of the application process; it does not include time associated with the local government component of the application process.
- At full complement, the ALC has 14.5 FTE's that work with the decision-makers on application processing. Staff turnover for this team, fiscal to date, is 28% (4 FTE's).

### FISCAL YEAR TO DATE STATISTICS (APRIL 1, 2024 - DECEMBER 31, 2024)

- 226 new applications were received between April 1, 2024, and December 31, 2024.
- 100% of applications were acknowledged complete within five business days of receipt of the complete application (Target: 100%).
- 27% of the decisions were released within 60 business days of acknowledged receipt and 53% of the decisions were released within 90 business days (Target: 90%)
- 100% of decisions were provided to applicants within five business days of a decision being released.

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

Fiscal Year	Applications Received	Decisions Released	Decisions Released Within 60 Days (%)	Decisions Released Within 90 Days (%)
2024/2025 (as of Dec. 31, 2024)	226	268	27%	53%
2023/2024 (Year-end)	358	392	23%	45%
2022/2023 (Year-end)	364	308	25%	42%

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

Approved by:	Prepared by:	Alternate Contact:
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# **ALC Application Types and Volumes by Fiscal Year**

### **RECOMMENDED RESPONSE:**

- The ALC Act and its regulations set out what is permitted within the ALR without application to the ALC. An applicant who owns land or a public body<sup>1</sup> may make an application to the ALC to conduct a use not permitted, to subdivide, include or exclude by the ALC Act or its regulations.
- Each ALC application is considered on its individual merits and the evidence provided with the application.
- The ALC decided 268 applications between April 1, 2024, and December 31, 2024, and 75% (200) were approved.
- Applications decided by the ALC by type between April 1, 2024, and December 31, 2024:
  - Subdivision 78 decisions
    - 55% of all Subdivision applications decided were approved.
  - Non-Adhering Residential Use 51 decisions
    - o 69% of all Non-Adhering Residential Use applications decided were approved.
  - Non-Farm Use 51 decisions
    - 88% of all Non-Farm Use applications decided were approved.
  - Transportation and Utility 39 decisions
    - 95% of Transportation, Utility and Recreation applications were approved.
  - Soil and Fill Use 38 decisions
    - 76% of Soil and Fill Use applications were approved.
  - Exclusion 8 decisions
    - 100% of Exclusion applications were approved.
  - Inclusion 3 decisions
    - 100% of Inclusion applications were approved.

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

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

LG/FNG does not approve the application, it ends there and the ALC would not be involved.

- Applications made to the ALC may be decided by the Executive Committee (i.e. applications of provincial importance), a Panel (i.e. based on geography or application type), or CEO. Most applications are decided by Administrative Region Panels.
- The ALC may decide to refuse, approve, or approve an alternate. An approved application may or may not have conditions.
- Over the past five fiscal years (2019/2020 to 2023/2024), the ALC has decided on between 308 to 446 applications per year.
- As of December 31, 2024, this fiscal:
  - 29% of all applications decided by the ALC were Subdivision.
  - 19% of all applications decided by the ALC were Non-Adhering Residential Use.
  - 19% of all applications decided by the ALC were Non-Farm Use.
  - 15% of all applications decided by the ALC were Transportation and Utility.
  - 14% of all applications decided by the ALC were Soil and Fill Use.
  - 3% of all applications decided by the ALC were Exclusion.
  - 1% of all applications decided by the ALC were Inclusion.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The ALC portion of the application fee for a Non-Adhering Residential Use application is \$450, and \$750 for all other application types. Inclusion applications and requests for reconsideration do not have a fee.
- As of December 31, 2024, the total revenue from decided applications for this fiscal is approximately \$201,900.

Approved by:	Prepared by:	Alternate Contact:
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Date approved: Jan 30, 2025	Branch: ALC	Branch: ALC
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# Land Included into, and Excluded from, the Agricultural Land Reserve (ALR) by Fiscal Year

### **RECOMMENDED RESPONSE:**

- The ALC includes and excludes land from the ALR based on the ALC's legislative mandate in accordance with the processes established in legislation and regulation.
- As of January 31, 2025, the area of the ALR is 4,612,117 ha.
- This fiscal to date (April 1, 2024 January 31, 2025) the amount of ALR in the Reserve is up 28 ha as a result of the regional changes noted below:

		<u>Included</u>	Excluded
0	Interior:	0 ha	0 ha
0	Island:	12 ha	0 ha
0	Kootenay:	1 ha	30 ha
0	North:	97.7 ha	0 ha
0	Okanagan:	0 ha	16 ha
0	South Coast:	1.1 ha	38.6 ha

- The above figures reflect both application and non-application related changes to the ALR including cadastre changes and other mapping corrections.
- Application-related changes only take effect throughout the year and all decision conditions are met, which in some cases may take years to complete.
- The biggest driver of change in the ALR this fiscal to date was the expiry of the temporary exclusion of land in the vicinity of the Site C Dam resulting from Order in Council No. 148/2015, which accounted for 91.7 ha of the total 111.7 ha of land included in the ALR this fiscal to date.
- In the South Coast, 26.9 ha of the total 38.6 ha of land excluded in the region was associated with historic ALC approvals or Official Community Plan endorsements.
- Correction of mapping errors accounts for 37.1 ha of the total 84.6 ha of land excluded.
- Since the ALR maps were digitized in 2012, the ALR has decreased by 11,172 ha (-0.24%).
  - The decrease from 2012 to 2017 was 7,380 ha (-0.16%)
  - The decrease from 2017 to January 31, 2025, was 3,792 ha (-0.082%)

### **BACKGROUND:**

#### Legislation

 Prior to September 30, 2020 (effective date of Bill 52-2019 legislative changes), the Commission could exclude and include land on its own initiative or upon application by a private landowner, a local government, and the first nation government in respect of first nation's settlement lands.

 After September 30, 2020, the Commission continues to have the authority to exclude and include land on its own initiative but can only accept applications for exclusion from the province, local governments, First Nation governments, and other prescribed public bodies who own land or have jurisdiction over land. Private landowners can no longer apply for exclusion. The ALR General Regulation specifies which public bodies may apply for exclusion and includes such agencies as the BC Hydro and Power Authority, BC Transit Corporation, South Coast BC Transportation Authority, a regional health board, etc.

### Non-Application Related Changes in the ALR

- Non-application related boundary changes of note such as Cabinet exclusions,
   Commission initiated proposals, and First Nation treaty settlements represent 64% of the total land excluded from the ALR since 2012 and include:
  - o In January 2025, Order in Council No. 17 permanently excluded 149.1 ha of land that was previously excluded on a temporary basis for Site C and extended the temporary exclusion of 700.2 ha of land.
  - In December 2023, Order in Council No. 709 excluded 14.2 ha from the ALR in the City of Surrey for a SkyTrain operations and maintenance centre.
  - In March 2023, Order in Council No. 147 excluded 66.2 ha from the ALR for Ecowaste Industries Ltd. in the City of Richmond.
  - In 2022, Order in Council No. 53 temporarily excluded 101.5 ha of land from the ALR for development (gravel extraction and road) associated with the Site C Dam.
  - In 2017, the ALC on its own initiative excluded 2,865 ha of land from the ALR in the Regional District of East Kootenay.
  - In 2016, the Tla'amin Final Agreement Act directed the exclusion of 935.8 ha of land from the ALR.
  - In 2015, Order in Council No. 148 permanently excluded 2,775 ha from the ALR and temporarily excluded an additional 941 ha of land from the ALR for the Site C Dam.
  - In 2013, the ALC on its own initiative included 684 ha in the ALR and excluded 1,545 ha from the ALR in the Regional District of East Kootenay for a net change of -861 ha.

FISCAL YEAR	INCLUSIONS** (ha)	EXCLUSIONS** (ha)	NET CHANGE** (ha)	TOTAL ALR (ha)**
April 1, 2012				4,623,289 <sup>1</sup>
2012/13	238	1709	-1471	4,621,818
2013/14	1296	1957	-662	4,621,156
2014/15	792	1090	-298	4,620,858
2015/16	79	4283	-4204	4,616,654
2016/17	198	943	-745	4,615,909

2017/18	223	2970	-2747	4,613,162
2018/19	65	212	-147	4,613,015
2019/20	127	238	-111	4,612,904
2020/21	103	137	-34	4,612,870
2021/22	39	384	-344	4,612,526
2022/23	18	204	-186	4,612,340
2023/24	1	252	-251	4,612,089
2024/25*	112	84	28	4,612,117
Net Change				-11,172

<sup>\*</sup>these figures are as of January 31, 2025

- The figures in the above table reflect data from the ALC Geographic Information System (GIS) database and include changes in the ALR as a result of exclusion and inclusion application decisions of the Commission, orders of Government and small changes due to mapping errors.
- The ALR area at designation was calculated using manual methods.
- The ALR was not digitized using GIS until April 1, 2012.
- Digitizing the ALR using GIS resulted in a 135,920 ha decrease in the ALR as noted:
  - o ALR reported as of March 31, 2012, was 4,759,938 ha using manual methods.
  - ALR reported as of April 1, 2012, was 4,623,289 ha using GIS.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

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

# **Brunswick Point - MLA Ian Paton**

#### RECOMMENDED RESPONSE:

- In September 2024, Tsawwassen First Nation (TFN) incorporated 11 parcels of land in Brunswick Point into its jurisdiction.
- The Brunswick Point lands remain in the Agricultural Land Reserve. TFN stated that the
  parcels will remain designated for agricultural use and remain agricultural in its land
  use plan.
- TFN stated that it will continue to be committed to collaborating with the current lessees of parcels and seek to establish long-term relationships rooted in shared values around food sovereignty and sustainability.

- Brunswick Point is located along the Fraser River where it meets the Salish Sea in Delta (see image below).
- Brunswick Point is considered to be the most fertile land in the Lower Mainland and of extreme importance to migratory waterfowl. There has been concern about the permanent loss of over 600 acres of highly productive farmland for food production and wildlife habitat for migratory birds.
- In May 2019 and 2022, MLA Ian Paton tabled a private member's bill (Bill M 221-2019 and M 206-2022, respectively) entitled "Preserving Brunswick Point for Agriculture and Migrating Waterfowl Habitat Act" that sought to place a farm use and conservation covenant on the lands.
- MLA Paton introduced the similar Bill M 210 in February 2023, also titled the *Preserving Brunswick Point for Agriculture and Migrating Waterfowl Habitat Act*. Its text was largely similar to its past versions and did not move beyond first reading in the Legislative Assembly.
- MLA Paton did not introduce a similar bill in 2024.
- In 1968, the Province expropriated over 2,000 acres (1,850 hectares) of land at Brunswick Point to support the Roberts Bank port development. This land became surplus and all, but 648 acres were sold back to the original owners.
- In 2009, the TFN Final Agreement came into effect, committing the Province to provide TFN with a right of first refusal to lease or purchase the Brunswick Point lands.

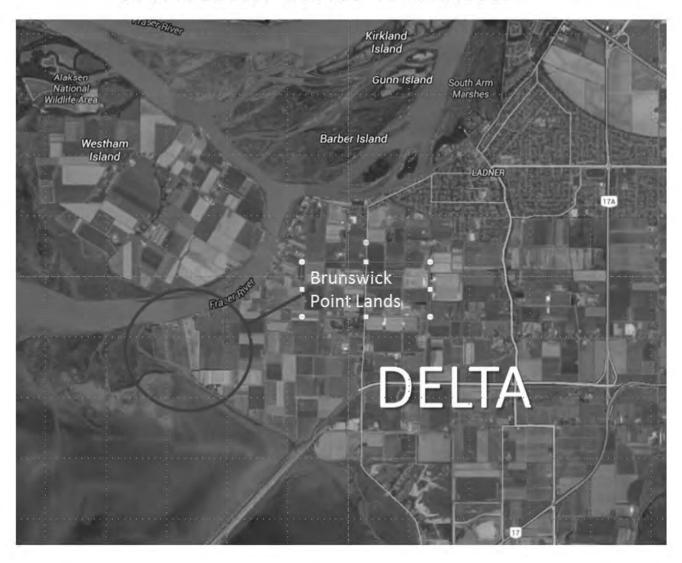
- In 2011, the Province, TFN, and the farming families tried to settle the case through an out of court agreement that saw the farmers acquiring the lands at below market value with TFN forfeiting their right of first refusal (RFR).
- In 2013, the agreement collapsed, despite the Crown providing extensions, as the farming families were ultimately unable to obtain financing for the \$22 million required to acquire the land.
- In 2018, in the Hwlitsum First Nation v. Canada court case, the Hwlitsum First Nation sought Aboriginal title to Brunswick Point which concluded unsuccessfully. On November 1, 2019, 195 acres of Crown Land was transferred to TFN in fee simple under an RFR in the 2009 TFN Final Agreement.
- In December 2022, TFN signed the RFR, and they are now registered on the title of land that is subject to the four farming families' agricultural leases.
- On January 26, 2023, the Province sent the lease documents (short-term leases) including the statutory declaration and assumption agreement to the four farming families. The short-term lease arrangement provided the Province with time to work with the families towards long-term resolution. A cover letter was included with the lease documents that provided long-term options for discussion after the short-term leases were executed.
- The Province entered into lease agreements with the four farming families commencing November 1, 2023. Three of these lease agreements were for five-year terms, with the Personal Information entering a one-year lease.
- The Province offered the farming families the opportunity to purchase their leases, with a request that they respond within six months after the leases commencing. The Personal Information declined this offer and indicated their intent to leave the property at the end of their one-year lease.
- In September 2024, TFN announced that it had incorporated 11 parcels of land in Brunswick Point into its jurisdiction. TFN stated that the parcels will remain designated for agricultural use and will remain agricultural in its land use plan. TFN further stated that it will continue to be committed to collaborating with the current lessees of parcels and seek to establish long-term relationships rooted in shared values around food sovereignty and sustainability.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

Approved by:	Prepared by:	Alternate Contact:
Name: Eric Kristianson	Name: Yichuan Wang	Name: Lauren Yawney
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# Compliance and Enforcement at the ALC/Statistics

### **RECOMMENDED RESPONSE:**

- The purpose of the program is to strengthen delivery of the Agricultural Land
  Commission's (ALC) legislative mandate to ensure that activities taking place within the
  ALR are consistent with the Agricultural Land Commission Act, its regulations and orders
  of the Commission. This is achieved by using a combination of education, compliance
  assessment, and enforcement.
- ALC compliance and enforcement (C&E) files are initiated based on complaints from the public and other government agencies.
- As of January 31, 2025, the ALC has 1,058 active C&E files being handled by 6 C&E
  Officers and one Officer/Supervisor. 590 (55%) of these files are in the South Coast
  region, 181 (17%) are in the Okanagan region, 169 (16%) are in the Island region, 50
  (5%) are in the Kootenays, 52 (5%) are in the North, and 16 (2%) are in the Interior.
- The number of new incoming complaints/referrals received this fiscal to date (as of January 31, 2025) is 224 (22 new files per month) and estimate by the end of this fiscal year the complaints received will be 20% higher than the total number received last fiscal:
  - 127 (59%) of these new files were referred by local governments and other government agencies, and
  - 97 (41%) were submitted by the public.
- The breakdown of active C&E files this fiscal by contravention type is: 525 (50%) unauthorized fill/extraction, 388 (37%) unauthorized commercial activity, 107 (10%) non-adhering residential use, and 38 (3%) breach of conditions/other.

- The ALC Act and Regulations were amended in 2002 to include provisions for compliance and enforcement, but the ALC didn't have the resources to hire the first two (2) C&E officers until 2009. In 2016, the ALC was able to hire 2 more officers, internally create an Officer/Supervisor position and hire a technician to handle the complaint intake process. In 2019, the ALC was provided with additional funding to hire 2 more officers.
- As of January 31, 2025, the ALC C&E Department is working at a full staff complement of six (6) officers, one (1) supervisor and one (1) C&E Intake Technician.
- One (1) C&E officer is based in Duncan, one (1) officer is in Prince George, one (1)
  officer/supervisor is in Kelowna, one (1) officer in Oliver and three (3) officers are based
  in Burnaby.

### COMPARISON OF C&E STATS YEAR-OVER-YEAR

	2024/2025 (Apr 1- Jan 31, 2025) <sup>1</sup>	Year-end 2023/2024	Year-end 2022/2023
Active files Start of Fiscal	921	776	602
New Incoming Complaints/referrals	224	224	353
Files Closed	86	79	179
Active Files End of Fiscal	1058	921	776
Property Inspections	217	273	346
Compliance Actions <sup>1</sup>	72	91	224
Enforcement Orders <sup>2</sup>	33	40	17

- 1 Compliance Actions include compliance notices and notices of contravention
- 2 Enforcement orders include stop work, remediation and penalty orders
- The number of active files at the start of each fiscal is increasing (each officer on average has more than 150 active files) which delays response to new incoming files.
- The file load has increased this fiscal due in part to staff vacancies that temporarily
  affected the department's ability to pick up new files while trying to gain compliance
  and enforce on existing files.
- All ALC enforcement orders and penalties, issued since 2016, are posted publicly on the Natural Resource Compliance and Enforcement Database.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

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

Approved by:	Prepared by:	Alternate Contact:
CEO Kim Grout	Name: Avtar Sundher	Name: Dave Birchmore
Date approved: Feb 06,2025	Branch: ALC	Branch: ALC
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# Illegal Fill Dumping in Hatzic Lake/FVRD

### **RECOMMENDED RESPONSE:**

- Starting in Spring 2023, there has been an increase in illegal fill dumping in the Fraser Valley Regional District (FVRD).
- In many cases, the illegal fill comes from development and construction activities in the Metro Vancouver Regional District (MVRD).
- The ALC understands property owners are being offered up to \$500 per load to accept files, which makes this unauthorized activity very lucrative for property owners depending on the volume received.
- The illegal fill is typically of low-quality subsoils (clay, rocks) and often contains construction and demolition waste which is a banned filling material under the ALR use Regulation.
- In response the ALC has dedicated 1 of its three (3) South Coast C&E Officers to the compliance and enforcement of unauthorized soil dumping complaints in the FVRD with a significant focus in the Hatzic Lake area.
- Since April 2023, more enforcement orders have been issued in the FVRD than anywhere in the province with more than 60% of these orders being issued in the Hatzic Lake area.
- In May 2024, the entire complement of ALC Compliance and Enforcement
  Officers/Officials (6 in total) and 1 MAF enforcement engaged in several weeks of
  extensive 7 day a week monitoring of the Hatzic Lake Area and FVRD (including after
  hours) area to try and halt this illegal activity.
- Due to the ALC's enforcement efforts dumping in the Hatzic Lake Area stopped in the Spring 2024 but picked back up again in December 2024 with illegal dumping on a Property in the Hatzic Lake area that has been the subject of several enforcement orders already and newly identified properties in Deroche.
- To date, penalty orders totaling \$260,000 have been issued in the Hatzic Lake area.
- Other agencies actively involved in the enforcement of illegal dumping in FVRD and Hatzic Lake area, specific to damage to watercourses and wetlands, include the Ministry of Water, Land and Resource Strategy, FVRD, Ministry of Environment and Climate Change and the Department of Fisheries and Oceans. The Commercial Vehicle Safety and Enforcement Inspectors from the Ministry of Transportation and Infrastructure have also conducted numerous roadside safety inspections of dump trucks delivering fill to the area and have at times ticketed and impounded vehicles.
- The Ministry and the ALC have also been lobbying the FVRD to adopt a soil deposit bylaw to help deter unauthorized fill placement and assist with enforcement which the Board is considering.

### **BACKGROUND:**

- In February 2019 the ALC Act was strengthened to require authorization from the ALC to place fill in the ALR and to make it an offense that is liable on conviction to a fine not exceeding \$1Million or imprisonment of not more than 6 months or both if this section of the Act is contravened. The Act was also amendment to provide for the registration of a remediation order issued by the ALC on title of property to make it more challenging to sell and or re-finance land impacted by unauthorized fill.
- All remediation orders require the removal of the unauthorized fill and subsequent remediation of the property to an agricultural capability equivalent or better than what existed prior to filling.
- C&E Actions in the FVRD excluding Hatzic and Hatzic Lake from April 1, 2023, to January 30, 2025:

C&E Actions/Orders	FVRD (including Hatzic Lake)	Hatzic Lake area Only	% Hatzic Lake vs total FVRD Orders
Inspections	109	68	62%
Compliance letters/notices	38	25	66%
Stop Work Orders	36	22	61%
Remediation Orders	9	4	44%
Penalty Orders	4	4	100%

- In 2023 the ALC mailed an advisory letter to over 1,000 property owners in Area F of the FVRD reminding them that the placement of fill in the ALR requires permission of the Commission and attended local rate payer's meetings in 2024 to try and educate property owners about what is permitted in the ALR and the consequences of accepting fill.
- The FVRD, in their unincorporated areas, does not have a soil and fill bylaw to regulate the deposit of fill but are now considering it.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

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# Non-Adhering Residential Use Applications by Fiscal Year

### **RECOMMENDED RESPONSE:**

- A landowner can have up to three residential units on property in the Agricultural Land Reserve (ALR) without requiring an application to the Agricultural Land Commission (ALC):
  - o a principal residence with a total floor area not greater than 500 m<sup>2</sup>,
  - a secondary suite within a principal residence, and
  - o a small additional residence (with a total floor area not greater than 90 m<sup>2</sup> on parcels  $\leq$  40 ha or 186 m<sup>2</sup> on parcels >40ha)
- A local government may further restrict the size of a residence in the ALR and regulate secondary suites or small additional residences in the ALR.
- An application for a "non-adhering residential use" is required if a landowner wants:
  - A principal residence with a total floor area greater than 500 m<sup>2</sup>;
  - An additional residence with a total floor area larger than the permitted 90 m<sup>2</sup> or 186 m<sup>2</sup>;
  - o Two or more additional residences; or
  - Tourist accommodation that exceeds the criteria in the ALR Use Regulation.
- The Agricultural Land Commission Act specifies that ALC must not approve additional residence unless it is necessary for farm use. The legislation is designed to favour farmers, and to curb residential development that doesn't support farming in the ALR.
- Between April 1, 2024, and December 31, 2024, the ALC approved 69% (35 of 51) of <u>all</u> non-adhering residential use applications.
- 92% of applications decided (47 of 51) were for additional residences:
  - 70% (33 of 47) of Additional Residence applications were approved as follows:
    - 100% (11 of 11) of applications for Temporary Foreign Worker Housing.
    - 86% (12 of 14) of applications for landowners to reside in their existing principal residence while constructing a new principal residence.
    - 45% (10 of 22) of applications for an additional residence where the need for onsite farm help housing was demonstrated.
- 6% of applications decided (3 of 51) were for a principal residence larger than 500 m<sup>2</sup>
  - 33% (1 of 3) of applications for a principal residence larger than 500 m² were approved.
- 2% of applications decided (1 of 51) were for tourist accommodation that exceeds the thresholds permitted in the regulation
  - o 100% (1 of 1) of these applications were refused.
- 57% of non-adhering residential use decisions (29 of 51) were in the South Coast Administrative Region.

• Between April 1, 2024, and December 31, 2024, the ALC received 1 application to replace an additional residence located within the 2021 Sumas Prairie Flood area. It was approved. The decision was released within 9 business days.

### **BACKGROUND:**

#### Bill 52-2019

- On February 22, 2019, Bill 52 amended the Agricultural Land Commission Act to restrict the size and number of residences on an ALR property. The change imposed a maximum principal residence size of 500 m<sup>2</sup> total floor area unless approved by the ALC, removed the authority for local governments to approve additional residences, and specified that the ALC can not approve additional residences unless they are necessary for a farm use.
- The purpose of the Bill 52 residential changes was to curb mega-mansions and land speculation so that ALR land remains affordable for future farmers.

### Residential Flexibility

- On December 31, 2021, OIC 438/2021 amended the ALR Use Regulation to permit the construction of one additional small residence per parcel of 90 m<sup>2</sup> or less if the parcel is 40 ha or less, or 186 m<sup>2</sup> or less if the parcel is more than 40 ha.
- There is no restriction on who resides in the additional residence under the Agricultural Land Commission Act. For example, it could be used for family, farm help, or rental.

### Temporary Farm Labour Accommodation

- The ALC created a streamlined process for Temporary Foreign Worker Housing (TFWH) applications for housing workers registered in the federal agricultural worker programs (i.e., Agricultural Stream, Seasonal Agricultural Worker Program) that meet criteria.
- The ALC decided 5 Temporary Foreign Worker Housing applications through the streamlined process between April 1, 2024, and December 31, 2024. On average, these decisions were released within 22 business days.

### Multiple Additional Residences

- Between February 22, 2019 (Bill 52) and December 31, 2024, the ALC has approved approximately 26 applications that resulted in more than two residences on a property. Note: this does not include requests for dormitory-style, or non-permanent Temporary Foreign Worker Housing.
- Decision Approval Breakdown
  - Three residences = 21 applications approved
  - Four residences = 3 applications approved
  - Five residences = 2 applications approved
- Application examples include:
  - Kocsis (Kootenay, 2022): ALC approved a third permanent residence (232 m²) for a family member who works on the 128.6 ha livestock and hay farm. The two existing residences are a 197 m<sup>2</sup> permanent residence and a 204 m<sup>2</sup> manufactured home.
  - Ellison (Island, 2021): ALC approved a second residence on the cattle and hay

farm in 2013. The farm operation expanded and the ALC then approved a 280 m<sup>2</sup> third residence in 2021 for another family member who works on the farm.

o Huber (Interior, 2021): ALC approved a third 111 m<sup>2</sup> residence for a family member on a grain/forage/cattle/hay operation.

### 2024/2025 NON-ADHERING RESIDENTIAL USE STATISTICS (APRIL 1, 2024 - DECEMBER 31, 2024)

Regional Non-Adhering Residential Use (NARU) Decisions April 1, 2024 – December 31, 2024				
	Approved	Refused	Total Decisions	% of NARU Applications Approved
Interior	2	0	2	100%
Island	1	2	3	33%
Kootenay	1	4	5	20%
North	2	1	3	67%
Okanagan	6	3	9	67%
South Coast	23	6	29	79%
Total	35	16	51	69%

### PREVIOUS FISCAL YEAR END NON-ADHERING RESIDENTIAL USE APPROVAL RATES

	% of NARU Applications Approved 2023/2024	% of NARU Applications Approved 2022/23	% of NARU Applications Approved 2021/22	% of NARU Applications Approved 2020/21	% of NARU Applications Approved 2019/20
Interior	0%	0%	88%	100%	100%
Island	62%	50%	83%	40%	67%
Kootenay	0%	80%	100%	83%	60%
North	100%	67%	75%	100%	100%
Okanagan	80%	81%	67%	83%	78%
South Coast	70%	56%	79%	70%	69%
Total	68% (75 decisions)	<b>64%</b> (69 Decisions)	80% (83 Decisions)	<b>75%</b> (111 Decisions)	<b>72%</b> (71 Decisions)

# **CROSS JURISDICTIONAL COMPARISON:**

# **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

Approved by:	Prepared by:	Alternate Contact:
Name: Kim Grout	Name: Nicole Mak	Name: Liz Sarioglu
Date approved: Jan 31, 2025	Branch: ALC	Branch: ALC
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# **ALC Non-Farm Use Applications**

### **RECOMMENDED RESPONSE:**

- The Agricultural Land Reserve (ALR) Use Regulation sets out uses that are permitted in the ALR without application to the Agricultural Land Commission (ALC), subject to certain thresholds.
- A landowner wishing to conduct a land use that exceeds the thresholds permitted in the
  Use Regulation or that is not expressly permitted by the Agricultural Land Commission Act
  and or its Regulations may apply to the ALC for approval.
- The ALC must evaluate each non-farm use application on its merits and ensure that the integrity of the ALR is protected if the application is approved.
- As of December 31, 2024, the ALC has decided on 51 Non-Farm Use applications this fiscal.
- 88% (45) of Non-Farm Use Applications decided by the ALC were approved.
- ALC Non-farm use decision considerations include:
  - Whether the use is supportive of, or related to agriculture
  - Whether the use is compatible with surrounding agricultural uses
  - o Whether the use has a temporary or permanent impact on arable land
  - Whether the land could be used for agriculture
  - o Whether it is appropriate to locate the use in the ALR
- Examples of non-farm use applications approved by the ALC by category this fiscal:
  - Agriculture or Farm Related that exceed permitted uses E.g. produce retail sales and processing, including a poultry processing facility and store in Telkwa, three abattoirs (one in the Comox Valley two in the Kootenay Boundary Regional District), a bamboo processing facility and a processing facility for spent mushroom substrate in Abbotsford.
  - Commercial E.g. animal shelter, vet clinic, compost facility, tourism business office, irrigation district office, campgrounds for RV use and festival accommodations
  - Civic/Institutional E.g. Indigenous healing centre, park and recreation facilities, churches, schools, highway development, and wetland construction.

- The ALC Act, ALR General Regulation and ALR Use Regulation outline what uses are
  permitted in the ALR without application to the ALC. A landowner may make an application
  to ALC to conduct a use that is not expressly permitted by the ALC Act or its associated
  regulations.
- Non-farm use applications fall into two main categories:
  - Uses that exceed the thresholds for permitted farm use and permitted non-farm use in the ALR Use Regulation
  - Uses that are not contemplated at all in the ALC Act or ALR Use Regulation

- Local Government or First Nation government (LG/FNG) consideration of an application is
  the first step in the ALC application process. While the ALC hosts the application portal, it
  does not see an application until after the LG/FNG completes its portion of the process and
  passes a motion (or law) to forward to the ALC with or without comment (as required by
  the ALC Act and ALR General Regulation). If an LG/FNG does not approve the application,
  the process ends there and the ALC will not be involved.
- Applications made to the ALC may be decided by the Executive Committee (i.e. applications
  of provincial importance), a Panel (i.e. based on geography or application type), or the
  Chief Executive Officer. The majority of applications are decided by Panels.
- The ALC may decide to refuse, approve, or approve an alternate proposal for each application.

### 2024/2025 Non-FARM USE STATISTICS (APRIL 1, 2024 - DECEMBER 31, 2024):

Non-Farm Use Decisions by Administrative Region - April 1, 2023 - December 31, 2023				1, 2023
	Approved	Refused	Total	% Approved
Interior	6	0	6	100%
Island	7	1	8	88%
Kootenay	5	0	5	100%
North	6	3	9	67%
Okanagan	8	1	9	89%
South Coast	13	1	14	93%
Total	45	6	51	88%

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

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# Notice of Intent for Soil and Fill Use

### **RECOMMENDED RESPONSE:**

- On February 22, 2019, new soil and fill use regulations came into force that required, with very few exceptions, authorization from the Agricultural Land Commission (ALC) to place fill or remove soil (including aggregate) in the Agricultural Land Reserve (ALR).
- There are two authorization streams available to landowners: (1) soil or fill use application to the Panel or (2) Notice of Intent (NOI) decided by the CEO or their designate.
- While a property owner may choose either authorization stream, under the legislation
  the NOI process cannot be used to seek retroactive approval for works already
  undertaken (i.e. fill already placed or soil removed) or seek authorization to place fill or
  remove soil for uses not permitted in the ALR Use Regulation.
- The fee to submit an NOI is \$150 and if upon review of an NOI a property owner is ordered not to proceed with the proposed works unless a soil or fill use application is approved by the Commission. Their Soil or Fill Use Application fee is discounted by \$150 in accordance with the ALR General Regulation.
- Under the legislation the ALC must respond to NOI's within 60 calendar days of receiving the NOI and the required fee, or the works can proceed without approval or oversight of the ALC.
- As of January 23, 2025, the ALC received 351 NOIs (a 58% increase over the same period last fiscal) and <u>decided</u> 350 NOIs (an 88% increase over the same period last fiscal due to being able to fill two vacant positions).
- Of the 350 NOIs <u>decided</u> in the 2024/25 fiscal to date, 264 (75%) were approved, 86 (25%) were ordered not to proceed and to make a Soil or Fill use application to the Commission.
- The number of NOI's received to date this fiscal is 58% higher than the same period last fiscal. This is a substantial increase from the previous year and is driven by requests to authorize the placement of fill for the construction of residences and accessory residential structures (up 130% from 71 in the 2023/24 fiscal to 163 in the 2024/25 fiscal), and farm use structures (up 128% from 39 in the 2023/24 fiscal to 89 in the 2024/25 fiscal).
- 95% of NOIs received this fiscal have been responded to within 60 calendar days, like the previous fiscal. The total number of NOIs not actioned in 60 business days this fiscal to date is 18.

### **BACKGROUND:**

- "Fill" is defined in the ALCA as "any material brought onto agricultural land other than materials exempted by the regulations"
- "Soil" includes the entire mantle of unconsolidated material above bedrock other than minerals defined in the *Mineral Tenure Act*.
- Only in very limited circumstances, which are expressly identified in the ALR Use Regulation, can fill placement or removal of soil or aggregate extraction be undertaken without authorization of the ALC.
  - For example, any farm structures or principal residence that is less than 1000m<sup>2</sup> area of fill (including structural aggregate) for its construction does not require any authorization from the ALC prior to application for a building permit with a local government.
- There is no fill placement permitted for additional residences or accessory residential structures in the regulation so authorization from the ALC is required.
- NOIs are submitted directly to the ALC and are decided by the Chief Executive Officer (CEO) or their designate.
- The CEO or their delegate has 60 days to respond to NOI.
- The cost of submitting an NOI is \$150, paid to the Minister of Finance.
- NOIs ordered not to proceed may submit a Soil or Fill Use Application for consideration by the Commission in accordance with section 20.3(5) of the ALCA.
- NOI decisions this fiscal by type as of January 23, 2025, are as follows:

NOI Primary Type	2024/2025
Farm Use Structures	81
Farm Roads	13
Fill placement for farm use	57
Residential use	163
Gravel/Sand Extraction/Soil Removal	12
Other (FortisBC pipeline/stations, drainage installation/culverts, agri-tourism accommodation, kennels)	24
Total	350

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

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# Agricultural Land Use Inventories (ALUIs)

### RECOMMENDED RESPONSE:

- Agricultural Land Use Inventories (ALUI) collect consistent, credible, and comprehensive data about land use and land cover on agricultural lands across the province.
- Since 2007, ALUIs have been measuring farmland use and non-agricultural uses in the Agricultural Land Reserve (ALR) and land use patterns, trends and practices over time.
- ALUIs are a key tool for developing agriculturally supportive provincial and local government bylaws and policies, which contribute to the growth of the sector.
- Without ALUI, the question of how ALR land is being used would be largely unknown.
- ALUIs has the potential to be a powerful tool but the information must be current, comprehensive, and accessible.
- Maintaining an up to date ALUI province wide was a recommendation in the <u>Final</u>
   <u>Committee Report to the Minister of Agriculture: Recommendations for Revitalization</u> and remains a priority for the Ministry of Agriculture and Food (AF).
- The ALUI program is working to achieve a full provincial baseline by 2029, ensure the information is updated every five years, and is easily accessible for decision makers.
- ALUIs generate a wealth of information at the provincial, regional, and local level. The data informs:
  - Provincial initiatives such as ALR Revitalization implementation.
  - Effectiveness of provincial regulations, such as industrial or residential use in the ALR.
  - Local government land use decisions impacts on 5000 ha 7000 ha annually, including Regional Growth Strategies, Official Community Plans and Zoning Bylaws.
  - Localized estimations of agricultural impacts of environmental disasters and animal health events, such as floods, wildfire, drought or Avian Influenza.
  - Research topics such as ecological goods and services, environmentally sensitive areas, wildlife habitat, species at risk and water quality.
  - Understanding of climate change impacts, associated risks and adaptation opportunities; and,
  - Climate related predictive models, such as the Agricultural Water Demand Model.
- In 2024/25, ALUIs informed numerous projects, strategies, and responses including:
  - Policy exploration for agritech and food processing in the ALR,
  - Ongoing decision support and policy development (ALC),
  - Assessment of potential agricultural economic impacts due to 2024 Provincial drought response,
  - Watershed sustainability planning (Koksilah and Nicola Valley),
  - Policy options for wild and domestic sheep separation (Office of Chief Veterinarian),

- Modelling the distribution of snake species at risk in British Columbia (B.C.)
   (Environment and Climate Change Canada),
- Estimates of greenhouse gas emissions from the agricultural sector for Metro Vancouver and the Fraser Valley Regional District,
- Agricultural area planning (District of Metchosin),
- Reclaimed water irrigation program and spray irrigation expansion feasibility (City of Vernon),
- Integrated water supply project (City of Kelowna),
- o Flood risk assessment and food security projects (Fraser Valley, Comox Valley),
- Food supply chain project (Kwantlen College and Strategic Climate Initiative),
- Potential food production potential against food demand by population (UFV);
   and,
- Identify underperforming farm class parcels to inform potential BC Assessment Farm Class review (Policy unit).

- ALUI projects are initiated in different areas of the province each year; projects can span multiple years.
- Data collection leverages satellite imagery, aerial imagery (photo and LiDAR), street view / oblique imagery, and summer windshield observations from public right of ways.
- Availability and cost of imagery is a major constraint to completing ALUIs.
- Research and development on remote sensing technologies, machine learning, and geographic based artificial intelligence is underway to reduce cost and time.
- ALUI projects utilize a unique mix of partnerships and resources, including local governments, nonprofit organizations, community interest groups, Sustainable Canadian Agricultural Partnership (SCAP), and AF base funding.
- ALUIs capture a snapshot in time 'baseline' ALUIs are an initial snapshot while 'update'
  ALUIs are subsequent snapshots to measure change over time.
- Baseline ALUIs are complete for about 95 percent of ALR, but some data is so old it is of limited use. Some regions of the province have never been surveyed.
- Only 25 percent of the ALR has been re-surveyed (a baseline and an update ALUI), which are important for understanding and measuring change and trends.
- Projects completed in 2024/25 include: baseline inventories for Regional District of Fraser Fort George, Squamish Lillooet Regional District (east), and initiated in Columbia Shuswap Regional District and Thompson Nicola Regional District (Nicola Watershed).
- In 2024/25, update inventories were completed in Regional District of Central Okanagan and Koksilah watershed (Cowichan Valley).
- In 2025/26, baseline inventories will be initiated in the Regional District of Bulkley Nechako, and update inventories in Capital Regional District and Cowichan Valley Regional District.
- Data for the Metro Vancouver Regional District was made available through a newly updated hub site including an interactive dashboard which is being shared with stakeholders and partners. Dashboards for other ALUI datasets are in progress.

# **CROSS JURISDICTIONAL COMPARISON:**

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

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- AF currently has 7 FTEs contributing to ALUIs.
- 3 FTEs remain vacant in 2024/25.
- Approximately \$870,000 was allocated for ALUIs in 2024/25, the second year of a fiveyear program totaling approximately \$4.5M cost shared with the Federal government under the SCAP.

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# **ALCA Alignment of Laws Project**

#### RECOMMENDED RESPONSE:

- The Declaration on the Rights of Indigenous Peoples Act (Declaration Act) requires the
  government to align the laws of British Columbia (B.C.) with the United Nations
  Declaration on the Rights of Indigenous Peoples (UN Declaration), in consultation and
  cooperation with Indigenous peoples in B.C.
- The Ministry of Agriculture and Food (Ministry) prioritized the legislation governing the Agricultural Land Reserve (ALR) for the alignment of laws: the Agricultural Land Commission Act (ALCA) and its two regulations.
- In 2023-2024, after inviting all 204 First Nations in B.C. and certain Indigenous organizations to begin consultation and cooperation on the policy development process associated with this work, the Ministry met with 46 First Nations and Indigenous organizations through direct meetings and virtual sessions.
- Following the latest mandate letters, the Ministry will continue to advance reconciliation, implement the Declaration Act, and work in partnership with First Nations rights-holders to advance shared interests.

- Section 3 of the Declaration Act requires the government to take all measures
  necessary to ensure the laws of B.C. are consistent with the UN Declaration, and do so
  in consultation and cooperation with Indigenous peoples in B.C.
- The Ministry prioritized the ALCA and its two regulations for the alignment of laws.
- The ALCA governs the ALR. The ALR was established in 1973 to preserve land for agricultural use and food security. In the ALR, farming is encouraged, while nonagricultural uses are restricted.
- The Agricultural Land Commission is an independent tribunal that implements the legislation governing the ALR.
- In 2023-2024, the Ministry invited all 204 First Nations in B.C., the First Nations
  Leadership Council, and the B.C. Indigenous Advisory Council on Agriculture and Food
  to begin consultation and cooperation on the policy development process associated
  with this alignment of laws work.
- The Ministry met with 46 First Nations and Indigenous organizations through direct meetings and three virtual regional sessions.
- The Ministry has been working on subsequent stages of the policy development process intended to lead to eventual legislative amendments.
- Following the latest mandate letters, the Ministry will continue to advance reconciliation, implement the Declaration Act, and work in partnership with First Nations rights-holders to advance shared interests.

### **CROSS JURISDICTIONAL COMPARISON:**

- In 2019, B.C. was the first province in Canada to introduce legislation requiring alignment of laws.
- In June 2021, the federal government enacted the *United Nations Declaration on the Rights of Indigenous Peoples Act*, which also requires the alignment of laws.
- In October 2023, the Northwest Territories passed its *United Nations Declaration on the Rights of Indigenous Peoples Implementation Act*, also requiring the alignment of laws.

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

• The Ministry will request funding through MIRR's Indigenous Funding Program to support the alignment of laws project if needed in 2025/2026.

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# ALR/ALC OVERVIEW

### **RECOMMENDED RESPONSE:**

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

- 2017: A key mandate letter commitment was to revitalize the ALR and ALC.
- January 2018: as part of this mandate, Lana Popham, Minister of Agriculture appointed an independent Minister's Advisory Committee (MAC) to lead stakeholder engagements.
- July 31, 2018: MAC released an <u>Interim Committee Report to the Minister of Agriculture</u> which contained immediate recommendations for legislative change.
- November 27, 2018: Bill 52 passed. The three key changes are included:
  - Restricting the size of principal residences,
  - o Reunifying the ALR into one zone; and,
  - Restricting unauthorized fill placement in the ALR.
- February 22, 2019: Bill 52 changes were brought into force.

- The Agricultural Land Reserve Use, Subdivision, and Procedure Regulation was renamed the Agricultural Land Reserve General Regulation and amended to set out application procedures.
- A new ALRUR was adopted with new provisions about residential, soil, and fill uses of ALR land.
- April 30, 2019: MAC released the <u>Final Committee Report to the Minister of Agriculture:</u>
   <u>Recommendations for Revitalization</u>, detailing 32 recommendations. AF has not publicly committed to implementing all the recommendations from the MAC report.
   <u>Appendix A</u> outlines the status of these recommendations.
- May 30, 2019: Bill 15 was passed. The legislation strengthened ALC governance and independence and further protected ALR land.
- With Bill 52, Ministry of Agriculture and Food (AF) heard that some ALR landowners felt that the changes were too restrictive and asked government to consider increasing additional residence options in the ALR.
- September to November 2019: AF held a public engagement. Feedback was summarized in the Supporting B.C. Farmers "What We Heard" Report, where the need for more residential flexibility in the ALR was a key theme.
- January 27, 2020: <u>The Policy Intentions Paper: Residential Flexibility in the ALR</u> outlining
  ways to increase residential flexibility in the ALR was released for public comment.
  Feedback received was used to inform new rules on residential flexibility.
- December 31, 2021: New rules under the ALRUR came into effect, allowing for increased residential flexibility through additional residence options (provided the changes are permitted in local or First Nations government bylaws). The new rules permit ALR landowners to have two residences per parcel in specific circumstances:
  - If the parcel is 40 hectares or less, there is permission for two residences: one that is 500 m² or less in total floor area, and one that is 90 m² or less in total floor area; and,
  - o If the parcel is larger than 40 hectares, there is permission for two residences: one that is of any size permitted by the *Agricultural Land Commission Act* at the time it was built, and one that is up to 186 m<sup>2</sup> in total floor area.

# **CROSS JURISDICTIONAL COMPARISON:**

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

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

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

- 2018 to present: Of the 32 recommendations outlined in the MAC report, 30 are considered completed or near completed. The reasons that AF decided not to implement a recommendation or to only partially implement sections of a recommendation include the following:
  - Legislative amendments of non-ministry legislation would have been needed,
  - Further analysis would have been needed and could not have been accomplished given other priorities,
  - Legal advice received, or,
  - No specific action was taken as the objective was considered a continuous improvement project (e.g. sharing updates about ALR changes with stakeholders on an ongoing basis).
- The status of recommendations 14 and 25, which have not been completed, and the status of recommendation 17, which has been partially completed, are as follows:
  - Recommendation 14: Establish a maximum cumulative footprint for farm-related commercial and industrial uses permitted in the ALR. The review is currently underway to determine whether work on the regulation should move forward.
    - Information relating to the policy that ALC developed in relation to this recommendation is provided in Appendix A1.
  - Recommendation 17: Protect the ALR from expanding accommodation. Bill 52 partially addressed this recommendation, and the ALC had noted that the new regulations were revealing potential new issues. AF was to determine if further review is needed (would require significant consultation). To date, there has been no direction to pursue this recommendation further.
    - Further information on how Recommendation 17 was partially addressed is outlined in Appendix A2.
  - Recommendation 25: Immediately work to address the imbalance between oil and gas development and agriculture in B.C.'s Northeast ALR. As of 2020, a multi-agency task force had been working to develop a comprehensive and factual public facing report to provide the history and current context in Northeast B.C. with respect to oil and gas and agricultural land use, as well as an examination of the existing policy and regulatory frameworks for both sectors.
    - Further information on Recommendation 25 is outlined in Appendix A3.

# Appendix A1 - Provides information on the Policy that the ALC developed regarding Recommendation 14

From the MAC Report (page 71):

**RECOMMENDATION 14:** Establish a maximum cumulative footprint for farm-related commercial and industrial uses permitted in the ALR to:

- 1. Ensure agricultural production remains the primary ALR land use; and,
- 2. Not eliminating economic opportunities for farmers.

Within recommendation 14, five specific action items are proposed. The following describes each action and the overall status of the recommendation:

Actions	Status
<ol> <li>Establish a Maximum Cumulative Footprint in the Regulation.</li> <li>One Cumulative Footprint per Farm.</li> </ol>	While the recommendation did not proceed, the ALC developed <u>ALC Policy L-</u> <u>24</u> , Development of Farm Structures for
<ol><li>Pre-qualification Requirements, and Ongoing Thresholds.</li></ol>	Farm-Related Commercial and Farm- Related Industrial Uses in the ALR in
<ol> <li>Include Additional Definitions in the Regulation.</li> </ol>	<ul><li>October 2019.</li><li>The policy is used by decision make</li></ul>
5. Require Applications to the Commission.	at the ALC when considering the placement of fill, removal of soil, and applications for non-farm use pertaining to the development of farm structures for farm-related commercial and farm-related industrial uses.

### Appendix A2 -Provides information on how Recommendation 17 was partially addressed

From the MAC Report (page 81):

**RECOMMENDATION 17:** Protect the ALR from expansive accommodation by:

- 1. Amending the definition of 'sleeping unit'; and,
- 2. Clarifying what accommodation is not permitted as agri-tourism accommodation in the ALR.

Three specific action items within Recommendation 17 are proposed. The following describes each action and its status:

Actions		Status	
Ensure that agri-tou units in the ALR rem seasonal and short to the seasonal and short to t	ain small-scale erm.	<ul> <li>Action Item 1 was partially addressed as ALRUR added a section which requires that tourism accommodation be provided on a seasonal or short basis only.</li> <li>Section 33(2)(b) of the ALRUR limits the development area for tourism accommodation to less than 5 percent of the parcel size. This wording is similar to what was used in the previous regulation, the ALR Use, Subdivision and Procedure Regulation, and could be interpreted as addressing the action item's request that agri-tourism accommodation remain small scale. It could also be noted that agri-tourism accommodation has remained small scale given that it is limited in proportion to the size of the parcel.</li> </ul>	
<ol> <li>Maintain the intent to additional economic farmers and rancher of the land is for fare</li> </ol>	opportunity for rs whose primary use	<ul> <li>Action Item 2 was completely addressed; section 33 of the ALRUR, which relates to agri-tourism accommodation, has not prevented a legitimate farmer from being able to supplement their income with agri-tourism accommodation.</li> </ul>	
3. Amend the definition more specifically lim		Action Item 3 was not addressed.	

### Appendix A3 - Provides further information on the status of Recommendation 25

From the MAC Report (page 96):

**RECOMMENDATION 25:** Immediately work to address the imbalance between oil and gas development and agriculture in B.C.'s Northeast ALR:

- 1. Form a Deputy Minister-level, multi-agency, multi-jurisdictional Task Force to develop a Northeast ALR Strategy; and,
- 2. Establish an increased ALC presence to support farmers and ranchers in B.C.'s Northeast ALR.

For Recommendation 25, three specific actions items are proposed within the first section and one specific action is proposed in the second section. The following describes each action and its status:

Actions First Section		Status	
2.	Build a memorandum of understanding and operational agreement between the ALC and the BC Oil and Gas Commission for sharing impact assessments and other information so they can work more effectively together.	•	The ALC and the British Columbia Energy Regulator (BCER), which had formally been the BC Oil and Gas Commission, have been jointly looking at standards for reclamation for pipelines.  Current timeline: A staff agrologist for the ALC and staff from BCER have completed some field work to see if the standards of reclamation set out in Schedule B of the agreement should be amended. They are working on a report that will go to the ALC Board at its full commission meeting in April 2025.  Any changes to the delegation agreement that might be recommended as a result of this work would need to be consulted on with First Nations.
3.	Consider whether/what portion of royalties from oil and gas development in the ALR should be directed to a regional agricultural development fund.	•	As of January 2025, the ALC did not have any updates on the status of this Action item.

# Appendix A3 – Provides further information on the status of Recommendation 25 (continued)

### **RECOMMENDATION 25: (continued)**

Second Section	
1. The Committee recommends that AF work with other natural resource ministries to ensure the ALC and AF are sufficiently resourced to increase presence and support for ALR protection and for farmers and ranchers in B.C.'s Northeast ALR.	This work is ongoing.

# **ALR - Cowichan Bay Estuary Dike Decommissioning**

#### **RECOMMENDED RESPONSE:**

- Under the Agricultural Land Commission Act (ALCA) and its associated regulations, the
  decommissioning, demolition, or removal of a dike is not permitted use, as such, a nonfarm use application is required to be submitted to the Agricultural Land Commission
  (ALC) for its review and consideration.
- A non-farm use application has been submitted to ALC.
- A site visit has been conducted and given the magnitude of public comments received the Commission has had to issue procedural directions to the Applicants and public on deadlines for comment and close of the public record so consideration of the application can resume.
- The ALC is an independent administrative tribunal (arm's length from government) with an independent decision-making process. The Applicants will be notified via email of the Commission's decision once it is releases and the Decision will be posted publicly on ALC's website Application Portal.

#### **BACKGROUND:**

#### General

- BC's Agricultural Land Reserve (ALR) was established in 1973. The ALR is administered
  by the ALC, an independent administrative tribunal, whose mandate is to preserve
  agricultural land, encourage farming of land in the ALR with communities of interest,
  and encourage local governments, First Nations, and the government to enable and
  accommodate farm uses within the ALR.
- Under the ALCA and its associated regulations, constructing, maintaining, and operating dikes is permitted in the ALR for the purpose of drainage or irrigation, or to combat the threat of flooding.
- Under the ALCA and its associated regulations, the decommissioning, demolition, or removal of a dike is not permitted use, as such, a non-farm use application is required.

#### Cowichan Estuary Environmental Management Plan

- The Cowichan Estuary Environmental Management Plan (CEEMP) was designated by Order in Council 1652/1986 under the authority of the Environmental Management Act and the Environment and Land Use Act.
- The CEEMP is intended to provide a "framework for environmental decisions and to balance environmental priorities and concerns with those of other interests and organizations". The CEEMP outlines management activities for the protection of environmental resources offered by the estuary.
- The CEEMP designates Dinsdale Farm lands for agricultural use.

 The CEEMP acknowledges that approval may be required from other regulatory authorities. Specifically, it notes approval from the Ministry of Environment would not absolve the proponent's responsibility for obtaining approval from the ALC.

#### Cowichan Bay Estuary Dike Decommissioning

- In support of the CEEMP, the Cowichan Estuary Restoration Project intends to restore
  estuary processes for the purpose of conserving and supporting biodiversity by
  removing dikes at Dinsdale Farm and Koksilah Marsh, creating intertidal channels and
  salt marsh habitat, restoring marine riparian and flood fringe forests, reconnecting
  areas that have been historically cut off from tidal influence.
- As part of the Cowichan Estuary Restoration Project, the Ministry of Water, Land, and Resource Stewardship and Ministry of Forests are proposing the decommissioning of a dike situated at Dinsdale Farm which is in the ALR.
- The decommissioning of the dike at Dinsdale Farm will result in the establishment of marshland and marsh channels, rendering the Dinsdale Farm unfarmable.

#### Non-Farm Use Application

- In July 2023, ALC staff advised the project engineer that a non-farm use application was required for the decommissioning of a dike.
- In October 2023, ALC staff verbally advised the Ministry of Water, Land, and Resource Stewardship and Ministry of Forests that dike decommissioning is not an outright permitted use in the ALR, and this was followed up in writing in December 2023.
- On December 1, 2023, a non-farm use application was submitted to the Cowichan Valley Regional District (CVRD) by Ducks Unlimited Canada to remove an approximately 450 m long portion of Dinsdale Dike (known as Dike 49).
- A local government board/council must consider an application and resolve to forward it to the ALC before the application can be considered by the ALC.
- On February 28, 2024, the CVRD Board forwarded the non-farm use application to the ALC.
- In May 2024, the representatives of the Commission's Executive Committee conducted a walk around site visit and applicant meeting with representatives of the Applicants.
   The reports from these two meetings were not signed off by the Applicant until October and November.
- The ALC has received 375 pieces of correspondence from community members and a not-for-profit society in support and in opposition to the dike decommissioning at Dinsdale Farm.
- On December 1, 2024, the Commission's Executive Committee had to issue procedural
  directions to the Applicants and the public which outlined deadlines for responding to
  application submissions and closure of the file record. Once the timelines established in
  the procedural directions have passed on February 25, 2025, the Commission's
  Executive Committee will resume consideration of the non-farm use application.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

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

N/A

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#### **ALR - FOREIGN OWNERSHIP**

#### RECOMMENDED RESPONSE:

- In Canada, owners of farmland must adhere to all applicable laws, regulations, and bylaws set by federal, provincial, local, and First Nations governments, irrespective of their residency.
- British Columbia (B.C.) protects farmland for agricultural use through the Agricultural Land Commission Act and the Agricultural Land Reserve (ALR), rather than through controlling ownership.
- The B.C. Government (the Government), through the *Property Transfer Tax Act*, imposes
  the additional property transfer tax (also known as the foreign buyers' tax) on foreign
  nationals, foreign corporations and taxable trustees who purchase residential
  properties in specified areas in the province.
- Taxing foreign owners may help address housing affordability in B.C. by reducing foreign demand and curbing speculation in the residential property market.
- In 2019, the Government introduced size limits on principal residences within the ALR to prevent the conversion of farmland into luxury estates, thereby controlling price surges linked to such developments.
- In 2021, the Government introduced flexibility for additional residences on ALR land, ensuring that the increase in residences does not adversely affect the affordability of farmland.
- In January 2023, the federal government enabled the *Prohibition on the Purchase of Residential Property by Non-Canadians Act* (<u>Foreign Buyer Ban</u>), which banned non-Canadians from purchasing residential property in Canada for two years starting in January 2023. The ban applies to Census Metropolitan Areas and Census Agglomerations as defined by Statistics Canada. The federal government recently extended the ban for two more years to January 1, 2027.
- Changing rules surrounding the ownership of agricultural land in BC would require collaborative work between the Ministry of Agriculture and Food, the Ministry of Attorney General and the Ministry of Finance

- In B.C., there are no restrictions on who can purchase agricultural land.
- Changes to the Property Transfer Tax Act in 2016 authorize the collection of information from owners when they register their property. Concurrently, the Property Transfer Tax Return form was amended to require purchasers to identify "country of citizenship", thereby specifically identifying foreign purchasers.
- In 2018, the Government increased the additional property transfer tax (also known as the <u>foreign buyers' tax</u>) to 20 percent. This tax had previously only applied to Metro Vancouver Regional District, but was expanded to the Fraser Valley, Nanaimo, Central Okanagan, and Capital regional districts in the same year (the specified areas).

- The foreign buyers' tax applies to Class 1 (residential) properties, including Class 1 properties in the ALR, in the specified areas. Note that only land that is used for farming and meets the requirements of the Classification of Land as a Farm Regulation is classed as Class 9 (Farm). Not all land in the ALR qualifies for farm classification.
   Depending on their use, improvements on a farm (e.g., a farmer's residential dwelling) are usually classed as Class 1 and, therefore, subject to the foreign buyers' tax.
- Property transfer tax data from the Ministry of Finance shows that foreign investment
  has declined steadily from 3 percent of annual transactions in 2017 to 1 percent in 2024
  in B.C.'s real estate market since the implementation of the foreign buyers' tax.
- Regarding the federal Foreign Buyer Ban, examples of the types of homes that are banned from purchase include those that are up to three dwelling units and those that are parts of buildings such as condominiums.
- Exemptions and recent amendments to the Foreign Buyer Ban include:
  - People: temporary residents, refugees, and work permit holders can purchase residential property, as long as permit holders have 183 days of validity remaining on their permit,
  - o Vacant land zoned for residential use can now be purchased by non-Canadians; and,
  - Residential property exclusion: a property that is in an area that is not within either a census agglomeration or a census metropolitan area is prescribed real property or immovable.

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

Several provinces have enacted mechanisms to control foreign ownership of farmland.
 These jurisdictions include Alberta, Saskatchewan, Manitoba, Ontario, Quebec, and
 Prince Edward Island (Appendix A provides a list of examples).

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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#### Appendix A

#### FEDERAL:

 The <u>Investment Canada Act</u> is the primary mechanism governing the review of foreign investment in Canada. Foreign investments in a Canadian farm business, regardless of their value, are not subject to the review process, unless they could be injurious to national security.

#### ALBERTA:

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

#### SASKATCHEWAN:

- The Saskatchewan Farm Ownership Act was passed in 1974. It has since become part of <u>The Saskatchewan Farm Security Act</u>.
- Ineligible individuals/entities must apply to the Farm Land Security Board for an exemption
  to acquire an interest in more than 10 acres of farmland. Entities that are partially foreign
  owned but controlled by Saskatchewan residents or their farming corporations can own up
  to 320 acres.

#### MANITOBA:

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

#### ONTARIO:

- Foreign residents attempting to purchase residential land in Ontario are subject to the provincial Non-Resident Speculation Tax (NRST). The NRST is applied on top of the standard Land Transfer Tax when applicable land is transferred to a foreign resident.
- On April 21, 2017, the Government introduced the NRST, which at the time was a 15 percent tax on the purchase or acquisition of an interest in residential property located in the Greater Golden Horseshoe Region (GGH) by individuals who are not citizens or permanent residents of Canada and foreign corporations and taxable trustees. On March 30, 2022, the NRST rate was increased to 20 percent, and its application was expanded provincewide. On October 25, 2022, the NRST rate was further increased to 25 percent.

#### QUEBEC:

- An <u>Act Respecting the Acquisition of Farm Land by Non-Residents</u> is in place.
- Non-residents and foreign-controlled entities must get permission to buy more than four

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hectares (or about 10 acres) of agricultural land.

#### **PRINCE EDWARD ISLAND**

• The Lands Protection Act prevents non-resident persons or corporations from owning, renting or leasing an aggregate of more than 5 acres of land.

# Heppell's Farm

#### RECOMMENDED RESPONSE:

- The Agricultural Land Commission (ALC) is an administrative tribunal arm's length from government – with an independent decision-making process.
- Decisions on land use applications within the Agricultural Land Reserve (ALR) are the purview of the ALC.
- On June 20, 2024, the ALC decided not to include the lands in the ALR at that time because inclusion would not carry out the intent of the *Agricultural Land Commission Act* (ALCA). The ALC's reasons for not including the land included the particularly long negotiations between the three affected First Nations and the federal government, and the scarcity of federal Crown land in the Nations' claimed traditional territory.

- On December 7, 2022, the ALC, under s. 17(1) of the ALCA, initiated a proposal to include 123.6 hectares of land in Campbell Heights within the City of Surrey into the ALR.
- The federal government owns the subject land and was leasing approximately 89
  hectares of the land to local agricultural producers for field crop production
  (Heppell's Potato Corporation). Three generations of the Heppell family have been
  farming the land since the 1970s.
- The federal government was considering disposing of the land. Given the longstanding agricultural use and productivity of the land, the ALC considered that it may be suitable for inclusion into the ALR. The ALR designation would preserve its availability for current and future agricultural use.
- On January 23, 2023, the ALC held a Public Hearing on the matter and received written submissions. Most of the submissions supported the inclusion proposal, arguing that fertile farmland is critical for food security and must be protected from future development.
- Three local First Nations (Katzie, Kwantlen, and Semiahmoo) opposed the inclusion proposal, asserting Aboriginal rights, including title, over the area.
- The Greater Vancouver Board of Trade also expressed concerns with the inclusion proposal, urging meaningful conversations with the affected First Nations.
- The ALC then adjourned the Public Hearing for the purpose of receiving submissions from the City of Surrey, affected First Nations, and the federal government (as registered owner of the subject lands).
- On June 20, 2024, the ALC decided not to include the lands in the ALR at that time because inclusion would not carry out the intent of the ALCA. The ALC's reasons for not including the land included the particularly long negotiations between the three

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affected First Nations and the federal government, and the scarcity of federal Crown land in the Nations' claimed traditional territory.

• The First Nations' plans for the land will not commence until negotiations with the federal government conclude.

### **CROSS JURISDICTIONAL COMPARISON:**

N/A

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

N/A

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# **Speculation and Vacancy Tax**

#### **RECOMMENDED RESPONSE:**

- The Speculation and Vacancy Tax (SVT) was introduced as part of Government's 30-point housing plan in February 2018. The SVT is intended for those who are holding their properties vacant, putting pressure on already low vacancy rates and housing supply levels.
- The SVT is also intended for foreign owners and untaxed worldwide earners who do not pay their share of income taxes in our province but enjoy British Columbia (B.C.) services and high quality of life.
- The SVT applies to properties designated as Class 1 (residential) in select B.C. communities with exemptions available based on property use and ownership. Class 1 includes vacant land, as well as unused farmland.
- In 2024, there are 1,778 Class 1 (residential) properties flagged as being vacant by BC Assessment in the Agricultural Land Reserve (ALR) in the SVT specified areas.<sup>1</sup>
- The Ministry of Agriculture and Food (AF) recognizes that there is merit in exploring a new tax that is similar to, but separate from, the SVT to incentivize agricultural use of farmland. This will require careful planning and collaboration with stakeholders to identify the most effective approach.
- The SVT, as well as property taxes, are the responsibility of the Ministry of Finance (FIN) and any proposed changes would need to be discussed with FIN.

- It is understood that speculation in the ALR may also contribute to the underutilization of farmland, threatening local food security.
- There has been <u>media discussion</u> about taxing unused farmland, similar to how vacant land is taxed through the SVT, with the goal of making farmland more affordable, especially for new entrants.
- The SVT does not apply to properties classified as Class 9 (farm), which is land that is
  considered a farm for tax assessment purposes. Farmland is not automatically
  designated as Class 9, as farmland owners must apply annually to BC Assessment to
  obtain farm class designation. Entirely vacant land typically would not qualify for farm
  classification and would be considered Class 1 (residential).
- The SVT currently applies to 59 specified areas<sup>2</sup> as defined in the Speculation and Vacancy Tax Act and its regulations. Reserve lands, treaty lands and lands of selfgoverning Indigenous Nations are not part of the taxable areas.

<sup>&</sup>lt;sup>1</sup> A property flagged as being 'vacant' by BC Assessment does not directly imply that property is vacant for the purposes of the speculation and vacancy tax.

<sup>&</sup>lt;sup>2</sup> https://www2.gov.bc.ca/gov/content/taxes/speculation-vacancy-tax/how-tax-works/taxable-areas#taxable-areas

- There are several exemptions to the SVT, with the most common exemptions being the
  principal residence exemption and occupied by a tenant exemption (where the
  property must be occupied for at least six months, for a minimum of one month at a
  time). Approximately 99 percent of B.C. residents are exempt from the SVT. Properties
  valued under \$150,000 are also exempt.
- The SVT is based on the assessed property value and is levied based on who owns the
  property as of December 31 each year. The tax rate is currently set at two percent for
  foreign owners and untaxed worldwide earners, and 0.5 percent for Canadian citizens
  and permanent residents.
- In a Country Life <u>news article</u> dated November 29, 2023, Premier Eby discussed applying a version of the SVT to underused farmland in the ALR. The article also notes that FIN indicated that it might be worth considering a targeted tax on unfarmed ALR land to discourage real estate speculation, a view supported by the former Minister of Agriculture and Food, Pam Alexis.<sup>3</sup> Subsequently, as part of the 2024 BC NDP election campaign, Premier Eby announced his plan to raise the SVT to 1% for Canadians and 3% for foreign owners starting in 2025<sup>4</sup>.
- At the 2024 Union of British Columbia Municipalities (UBCM) Convention, an Unfarmed Land Tax Resolution (NR77) was put forward by the City of Pitt Meadows, asking the provincial government to consider establishing a targeted unfarmed land tax to discourage speculation and encourage farming in the ALR. While the UBCM Resolutions Committee made no recommendation on Resolution NR77, the resolution indicates support for considering a more targeted tax aimed at underused farmland. Appendix A provides a copy of the resolution.
- While the SVT encompasses vacant land in specified areas and already applies to unused farmland (including properties in the ALR), there may be merit in discussing whether the potential introduction of a more targeted tax specifically aimed at underutilized farmland (i.e. underused farmland that might still qualify as Class 9) would be of benefit.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

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<sup>&</sup>lt;sup>3</sup> Province considers farmland tax - Country Life in BC

<sup>4</sup> https://www.bcndp.ca/releases/david-ebys-plan-takes-new-action-crack-down-speculators

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Cell: N/A Cell: N/A Cell: n/a

N/A

# Appendix A: 2024 UBCM Convention, an Unfarmed Land Tax Resolution (NR77)

The City of Pitt Meadows put forward the following Resolution:

Whereas the purpose of the Agricultural Land Reserve (ALR) is to preserve much-needed land for farming to ensure local food security, and not real estate speculation.

And whereas speculation in the ALR can lead to increased land values and the underutilization of ALR land for farming.

Therefore, be it resolved that UBCM call upon the Province of BC to establish a targeted unfarmed land tax, to discourage speculation and encourage farming in the ALR.

# **Agritech Industry Development Support**

#### RECOMMENDED RESPONSE:

- Our government is committed to supporting the development of a strong agritech industry in British Columbia (B.C.) to ensure farmers across the province have access to the tools and technologies they need to be successful and sustainable.
- Through the B.C. Centre for Agritech Innovation (BCCAI), agriculture producers, academics and agritech entrepreneurs are being brought together to develop and pilot new technologies and innovations to strengthen B.C.'s food security and help farmers increase their competitiveness, profitability, and environmental sustainability.
- In February, BCCAI announced 19 new projects and nine training programs which
  represent a total investment of \$15.5 million, including \$4.8 million from the BCCAI
  matched by industry. These projects will focus on helping companies scale up their
  technology, create more made-in-B.C. solutions for B.C. farmers and create more
  opportunities for training, creating a stronger, more resilient agriculture industry.
- The Ministry of Agriculture and Food (AF) works closely with BCCAI and Ministry of Jobs, Economic Development and Innovation (JEDI) to help facilitate new partnerships between agriculture producers, academics, and businesses.

- Agritech refers to the development and application of technology to the agricultural and aquacultural sectors with the aim of optimizing production, profitability, or environmental sustainability. Agritech supports quality economic growth for British Columbians and creates opportunities to increase climate resiliency, productivity and profitability.
  - Examples of agritech include robotic weeders and harvesters, automated equipment (feeders, animal health monitoring), digital sensors and smart cameras and farm business management software.
- Since 2022, government-funded agritech industry development support in B.C. has been primarily provided through the new BCCAI located at Simon Fraser University, which received \$6.5 million from the Province and \$10 million from Pacific Economic Development Canada (PacifiCan).
  - BCCAI provides funding and staff support to agritech businesses and agricultural producers to support the development, testing, and piloting of new technologies and innovative solutions in simulated and real-world environments to be farm-ready for commercialization, as well as training to use technology.
  - AF recently partnered with BCCAI and Innovate BC to deliver an agritech and innovation session at the Pacific Agriculture Show that included panel sessions of B.C. farmers sharing their experiences with on-farm technology.
- Agritech industry development in B.C. is also supported through a government-togovernment partnership with the Netherlands. In 2019, the Governments of B.C. and

the Netherlands signed a Letter of Intent. In 2022, an Action Plan was signed by former JEDI Minister Ravi Kahlon, AF Minister Lana Popham and former Dutch Assistant Vice Minister Guido Landheer.

- The two-year Action Plan, which ended in May 2024, resulted in new business relationships between B.C.'s greenhouse industry and Dutch agritech suppliers, the creation of a new student exchange program, and initiation of a joint research project between B.C.'s Windset Farms and Simon Fraser University and the Netherland's Wageningen University and Research.
- AF staff continue to meet with JEDI and the Consulate of the Netherlands monthly to support this continued relationship.
- JEDI is the lead Ministry for agritech industry development and is responsible for providing funding and oversight to ensure the success of BCCAI, delivering international trade and investment services, and providing pathfinding assistance through the Agritech Concierge.

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

 The Dutch are world-renowned for their expertise in agriculture and agritech and for championing the "triple helix" model. This model refers to the collaboration model between industry, academia, and government. Despite a small land area, the Netherlands generated 104.7 billion euros in export revenue in 2021. This is due to agricultural intensification, focus on high-value products, investment in education and research and development, strong supply chain logistics, and agricultural land protection. The design of BCCAI is based on this Dutch "triple helix" model.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- All funding provided for agritech industry development support through BCCAI is provided by JEDI (\$6.5 million) and PacifiCan (\$10 million).
- Under the Sustainable Canadian Agricultural Partnership, AF's budget for agritech and innovation programming is \$2.56 million per year. In fiscal years 2023/24 and 2024/25, this funding is primarily being used to support the delivery of the B.C. On-Farm Technology Adoption Program (see On-Farm Adoption Estimates Notes for further background).

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# Minister's Advisory Group on Regenerative Agriculture and Agritech including Select Standing Committee Report on Carbon Sequestration

#### RECOMMENDED RESPONSE:

- The Regenerative Agriculture and Agritech advisory process held in 2022-2023 helped government clarify sustainability priorities and better align sustainability programming to producers' needs. The process also identified the need to monitor soil health and the impact of soil management practices, and highlighted the importance of supporting Indigenous food systems within efforts to enhance the sector's sustainability.
- At the same time, we heard advice to focus the conversation less on using the term "regenerative" and more on concrete ideas underpinning this term, in particular, how boosting soil health can improve yields, water retention and carbon sequestration.
- In April 2024, the Legislative Assembly's Select Standing Committee on Agriculture, Fish and Food released its report on carbon sequestration and related technology in B.C.'s agricultural sector, many of which relate closely to those of the Minister's Advisory Group on Regenerative Agriculture and Agritech.
- In current programming, the advice of both committees is well represented, including:
  - Investing in regional extension projects based on needs identified by farmers;
  - Work underway to make the design of the foundational Environmental Farm Plan Program more farmer-centric;
  - Further funding for regenerative and soil health-improving practices through the Beneficial Management Practices Program;
  - Standing up a ministry-academic-industry Soil Health Technical Working Group and developing a provincial soil health assessment protocol; and
  - Providing support for Indigenous agriculture and food systems.

- The Minister's Advisory Group on Regenerative Agriculture and Agritech (AGRAA) was established in June 2022 with the mandate to develop recommendations for a Regenerative Agriculture and Agritech Strategic Framework.
  - In Fall 2022, the process was expanded to include a BC Agriculture Council Working Group and an Indigenous farmer engagement.
  - The Sustainable Agriculture Strategic Framework was completed in January 2023 and a detailed report with recommendations was published in June 2023.

- The process provided an opportunity for government to build consensus on a shared vision for sustainable agriculture in B.C. with leaders representing different perspectives from across the sector. Key elements of the consensus include:
  - Establishing working definitions for the terms "regenerative" and "agri-tech".
  - Agreement that soil health is a key measure that supports greenhouse gas reduction, flood and drought resilience, and agricultural productivity.
  - Greater emphasis on "farmer-centric" sustainability programming.
  - Agreement across the sector about the link between sustainability and Indigenous reconciliation, and the need to increase work on reconciliation.
- In 2023, the Legislative Assembly tasked the Select Standing Committee on Agriculture, Fish and Food to examine carbon sequestration and related technology in B.C.'s agricultural sector and to make recommendations regarding opportunities to increase carbon stored in agricultural soils.
  - The Committee met with representatives from the Ministry, stakeholders, experts and others and received extensive input related to beneficial agricultural practices, supports and incentives, and the need for robust soil testing data to inform policies and programs.
  - In April 2024, the Committee concluded its work and released its report. Many of the recommendations relate closely to those of the Minister's Advisory Group on Regenerative Agriculture and Agritech, which the Ministry was already actioning, particularly regarding monitoring soil health and the impact of soil management practices.
  - Although the Committee is a permanent committee, it will only re-activate if it receives further terms of reference from the Legislative Assembly.
- AF has a suite of actions underway that align with the recommendations of both committees, including:
  - launching the ministry-academic-industry Soil Health Technical Working Group and developing a provincial soil health assessment protocol;
  - supporting on-farm projects that sequester soil carbon through the Ministry's Beneficial Management Practices Program and On-Farm Technology Adoption Program, as well as external programs the Ministry supports like Delta Farmland & Wildlife Trust's programs;
  - working closely with the Ministry of Ministry of Jobs, Economic Development and Innovation and the B.C. Centre for Agritech Innovation at SFU to develop and pilot new technologies and innovations that help farmers increase their competitiveness, profitability, and sustainability;
  - investing in extension projects in which ministry staff work directly with farmers, as well as building out the Ministry's "digital first" AgriService strategy;
  - working to make the foundational Environmental Farm Plan Program more effective and farmer-centric; and,
  - o supporting Indigenous food systems and agriculture by working with the

Indigenous Advisory Council on Agriculture and Food (IACAF), advocating for government's investment in the Indigenous Food Security and Sovereignty Fund, and working to align the Agricultural Land Commission Act with the United Nations Declaration on the Rights of Indigenous Peoples.

### **CROSS JURISDICTIONAL COMPARISON:**

• The federal-provincial-territorial Sustainable Canadian Agricultural Partnership and the federal Sustainable Agriculture Strategy are closely aligned with B.C.'s approach. However, B.C. is overall viewed as a leader in innovation for sustainable agriculture.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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# On-Farm Agritech Adoption Support

#### RECOMMENDED RESPONSE:

- We are listening to British Columbia (B.C.) farmers and know that the cost to upgrade
  or introduce new technologies is a barrier for many, and that many B.C. farmers need
  technology adoption support to help deal with the effects of labour shortages and
  operational cost increases due to inflation and supply-chain disruptions.
- In response, the governments of British Columbia and Canada recently launched a new B.C. On-Farm Technology Adoption Program, which has provided \$4.4 million in funding so far to farmers to purchase new technologies, including robotic weeders and harvesters, automated equipment, farm-management software and digital sensors.
- A third program intake will be launched this spring, providing an additional \$1 million in cost-shared funding support to farmers to adopt labour-saving technologies.
- The Ministry of Agriculture and Food is also providing \$4 million in funding support this
  year to farmers through the Beneficial Management Practices Program to adopt onfarm practices and technologies that promote agricultural sustainability, climate
  mitigation and climate adaptation practices for a cleaner, healthier environment.

- The B.C. On-Farm Technology Adoption Program, delivered by Innovate BC, is funded through the Sustainable Canadian Agricultural Partnership (Sustainable CAP) and provides cost-shared funding to B.C. farmers to adopt new technologies on-farm that will enhance profitability, productivity, and/or efficiency. Applicants can access up to \$100,000 to purchase new technology.
  - Since the program was launched in November 2023, \$24 million in total funding support has been requested from 397 applicants – 85 projects have been approved and funded with \$4.4 million of program funding.
  - A third intake of the program is scheduled to open in Spring 2025, providing an additional \$1 million in funding for labour-saving technologies, bringing the total program value to \$5.4 million.
- Examples of projects funded in the first program intake in 2023/24 include:
  - \$45,459 for Brackenhurst Dairy Farm in North Saanich to purchase a manure robot that automatically cleans manure from the barn floor and results in a 100 percent reduction of labour requirements for this task and improved milk quality.
  - \$88,041 to Sandhar Farms in Kelowna to purchase a fruit picking platform that increases worker productivity and safety, and results in a 30 percent reduction of labour requirements for this task.

The Beneficial Management Practices Program, funded through Sustainable CAP, is an
on-farm cost-share incentive program to assist farm and ranch operations to adopt
technology and practices that will mitigate risks identified in their Environmental Farm
Plan (EFP). Applicants can receive up to \$200,000. See Estimates Note "Climate and
Environment: On-farm Funding" for additional information about these program areas.

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

 Similar support for on-farm technology adoption is provided by other provinces under Sustainable CAP, but most programming is focused on encouraging adoption of technology that increases environmental sustainability and traceability (with very limited programming focused on addressing challenges to competitiveness and profitability, such as rising input costs, labour shortages, and maintaining consistent product quality).

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The budget for the B.C. On-Farm Adoption Program is \$2.2 million in Fiscal Year 2024/25 and \$1 million in Fiscal Year 2025/26.
- In 2025/26, the budget for the Beneficial Management Practices Program is \$4 million.

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# **Abbotsford Agriculture Centre**

#### **RECOMMENDED RESPONSE:**

- The atmospheric river event on November 15, 2021, led to widespread flooding in the Sumas Prairie area, including the co-located Plant and Animal Health Centre (PAHC) laboratories and Abbotsford Agricultural Centre (AAC) offices.
- The PAHC laboratories and AAC offices were significantly impacted by this event, leading to the full closure of the facility for over four months with limited PAHC laboratory services. Restoration efforts spanned from 2022 to 2023, culminating in the final repairs to the facility's Containment Level 3 Laboratory and its commissioning completion in the summer of that year.
- As a result of the November 2021 flooding event, the water table of the site has risen and receded, resulting in hydrostatic pressure to the foundation of the facility and leaving it in a state of structural instability. This has resulted in continuing cracks and leakage in the basement and laboratory areas which are being monitored and repaired on an ad hoc basis. With future climate change impacts, it is anticipated that rehabilitative efforts and costs will increase to repair any further ongoing damage to the building systems. Further to that, another flood event similar or worse than the previous is expected in the next ten years.
- In spring 2022, a feasibility study was initiated to examine future flooding scenarios and determine options for safeguarding PAHC and AAC building assets and operations over the next several years.
- The study and report were prepared to determine the impact and mitigations
  derived from flood scenarios and provide options for the facility's future. Given the
  vulnerability of the site to pluvial (rainfall-related), fluvial (rivers and waterwaysrelated) and groundwater (rising water table-related) flooding, there are limited
  options to ensure that the PAHC and AAC will not experience significant damage in
  the future, leading to severe structural, operational, and economic impacts.
- The Ministry of Agriculture and Food (AF) subsequently decided to proceed with an accelerated plan to replace the PAHC at a location outside of the Sumas River floodplain.
- Approval was granted to proceed with the procurement of a suitable site. A contract for the purchase has been finalized, and due diligence activities are currently underway.
- The site is located in Abbotsford in the Agricultural Land Reserve, and an application for non-farm-use was submitted to the Agricultural Land Commission in January 2025. In parallel, an application for a subdivision of the lot was made to the City of Abbotsford (the purchase offer is for only a portion of the existing lot).
- The final business plan is intended to be completed by the end of March 2025.
- In light of the ongoing emergence of plant and animal diseases, there is a need to safeguard the citizens of B.C. from diseases that could impact human health while

simultaneously ensuring the protection of livestock and the agricultural food supply. This project presents the opportunity to modernize and improve the services that are currently offered at the PAHC and prevent future damage or loss of critical infrastructure in a more secure and climate-resilient setting.

- The PAHC plays a crucial role in public health, food safety, food security, and the
  agricultural economy in B.C. The PAHC, among other sections, is comprised of the
  Animal Health Centre (AHC) and the Plant Health Laboratory (PHL) and is located in
  the AAC.
- The AHC is the leading veterinary laboratory in Western Canada, offering various laboratory diagnostic tests for disease agents that may be found in agricultural, wild, and domestic animals, while the PHL diagnoses, monitors, and assists in the prevention and management of plant pests and diseases.
- The site is located in the Sumas River floodplain and is at a low point relative to the surrounding topography, thus making it a natural water collection area. The geotechnical and water table conditions of the site after the November 2021 flood event have further deteriorated the flood mitigation options for this asset, making them complex, expensive, and of uncertain efficacy.
- Any flood mitigation construction on the site would also cause severe disruptions, noise, and vibrations, significantly impacting the PAHC precision-based daily operations and potentially resulting in a years-long closure of the facility while activities are undertaken to stabilize the asset. Also, flood mitigation activities do not provide guaranteed protection against future flooding events.
- In addition to the flooding issue, for several years now the PAHC has been dealing
  with outdated infrastructure and resulting operational challenges which prevent
  expanding operations and limit the ability to provide comprehensive diagnostic
  services to the citizens of B.C.
- In July 2022, the government decided to proceed with project planning at an
  accelerated pace. Due to the high risk to the PAHC's operations, a decision was
  made by executives at AF, the Ministry of Citizens' Services (CITZ), and Infrastructure
  BC (IBC) to prepare a business plan based on a functional program and Class D Cost
  Estimate. This decision was supported by the Treasury Board staff in October of
  2022.
- This business plan outlines the development of a PAHC replacement project. The
  project includes the design and construction of a new facility to accommodate the
  PAHC, the Office of the Chief Veterinarian, and other departments currently housed
  at the AAC.
- A functional program review was undertaken to determine the space needs and
  inform the service delivery options analysis. Options reviewed ranged from staying
  at the current site to full relocation of the facility. After a full risk analysis, the option
  of rebuilding the facility on a new site outside of the floodplain but within the Fraser
  Valley was chosen as the basis for the business plan.

- An interim business plan was prepared and submitted to the government in January 2023, and in July of 2023 the project team sought approval to purchase a site in Abbotsford. This interim business plan was approved by the Treasury Board Secretariat in August of 2023.
- A property was identified and a contract for purchasing a site located outside of the floodplain zone was finalized in September 2024, and due diligence activities are currently being undertaken at the site to ensure suitability.
- A more comprehensive business plan for the project was prepared by IBC and jointly submitted in Jan 2024 by AF as the owner of the program and CITZ as the owner of the asset.
  - The January 2024, business plan was completed for a new facility designed to provide enhanced animal and plant health services to British Columbians in a secure and climate-resilient setting. Cabinet Confidences

Cabinet Confidences

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 In January 2025 the project budget, and consequently responsibility, was transferred from CITZ to the Ministry of Infrastructure. Upon approval of the business plan, AF and the responsible Ministries plan to submit a Treasury Board submission seeking:

Cabinet Confidences; Government Financial Information

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The next step would then be to commence the design of the facility and initiate permit applications (e.g., hazardous waste).

# **CROSS JURISDICTIONAL COMPARISON:**

- There are no known veterinary and/or plant health diagnostic facilities within Canada that have been constructed within a floodplain without design and construction for flood mitigation. Such laboratories in Canada are also considered critical assets.
- There are no known veterinary and/or plant health diagnostic facilities within Canada that have had similar flooding events impacting facility structure and operations.

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

- The estimated cost to restore the facility to operational status is \$7.6M to date with ongoing repairs of the facility due to structural instability.
- The cost of loss of consumables, equipment, and tests that have been submitted to other laboratory facilities during the recovery from the flooding event is estimated at approximately \$2.5 million.
- The costs for a PAHC facility are high-level estimates (i.e., a Class D Estimate) and revised funding requirements, including updated land costs, will be identified in the business case that will be presented to the Treasury Board.
- Cabinet Confidences; Government Financial Information

Cabinet Confidences; Government Financial Information

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#### **African Swine Fever**

#### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (AF) is working with the federal government and British Columbia's (B.C.) pork producers to proactively reduce the risk of African Swine Fever (ASF) entering both commercial and small-scale farms.
- Pigs submitted to the B.C. Animal Health Centre (AHC) in Abbotsford are tested for ASF.
   This testing is the first component of an enhanced early detection program. In 2023, AF launched the Smallholder Disease Diagnostic Program (the Smallholder program) to support early disease detection in smallholder swine (and poultry, sheep and goats) through subsidized laboratory testing at the AHC in Abbotsford. The Smallholder Program also provides courier support, enabling veterinary practices to submit smallholder diagnostic cases to the laboratory at no cost.
- In January 2023, ASF testing of condemned pigs at provincial slaughter plants started in B.C. This testing is the second component of an enhanced early detection program.
- B.C. participates in the national ASF Executive Management Board (EMB).
- The Canadian pork industry has invested heavily in traceability and actively promotes Premises Identification to better protect the health and safety of their animals.
- In 2021, the B.C. government funded a Market Interruption Response Plan to address
  the potential surplus of healthy hogs and minimize impacts (financial, welfare, etc.) to
  producers, processors, animals, and others in the pork production system in the event
  of an ASF detection.
- Intergovernmental Communications

Intergovernmental Communications Hog Management Plan. This program will support hog producers with imminent needs in the event of an ASF detection. The program will support producers with costs associated with feeding and maintenance of hogs awaiting surplus slaughter, as well as costs associated with destruction and disposal of healthy, surplus hogs. Advice/Recommendations

Advice/Recommendations

- ASF is a highly contagious, often deadly viral disease of both domestic and feral pigs.
- ASF is one of the most important viral pig diseases and causes variable patterns of disease with several forms; the most common is an acute hemorrhagic disease with up to 100 percent mortality. However, the disease can also take a form that spreads undetected.
- The incubation period is five days to two weeks and can allow the disease to spread before detection. Due to the variable signs at presentation, the time from first infection until detection and confirmation has been up to 26 days in simulation exercises.

- There is no vaccine nor treatments for ASF.
- ASF does not infect humans and is not a food safety concern.
- ASF has not been diagnosed in Canada or the United States (U.S.) It is currently spreading in many countries in the European Union (E.U.) and Asia and was diagnosed in the Dominican Republic (July 2021) and Haiti (September 2021).
- B.C. has been suggested as a high risk for entry of ASF to Canada due to its many smallholder premises that have low biosecurity and the high travel volume between Asia and the province. Detection of ASF in Canada would have major trade implications. Canada currently exports 70 percent of its pork production. A detection of ASF would very likely see the closure of international borders which would necessitate culls on infected farms and welfare culls of healthy pigs to address overcrowding due to market disruptions.
- Prevention of ASF introduction into Canada is reliant on vigilance and programming to prevent ASF-infected material reaching Canadian swine.
- Key protective elements in place in Canada:
  - Canada does not import live pigs, pork products, or pork byproducts from China or other infected countries.
  - CFIA has reviewed and is confident in the E.U.'s zoning system for ASF. The E.U. zoning map is being used to avoid importing from high-risk zones.
  - International waste controls are in place to prevent feeding garbage from foreign countries to livestock.
  - Canadian Border Patrol agents conduct advanced luggage screening from ASFpositive countries with increased numbers of specially trained sniffer dogs.
  - A risk-based early detection program is in place in Canada (CanSpotASF) for ASF testing in pigs submitted to laboratories or condemned at abattoirs that meet specific eligibility criteria.
- · Preparedness steps in place in Canada:
  - U.S. and Canadian Chief Veterinarians tasked staff at the North American Animal Health Committee meeting in August 2018 to work together to harmonize prevention, diagnostic, and response measures.
  - The ASF EMB, managed by Animal Health Canada, has been working since 2020 to coordinate ASF planning in Canada. It includes representatives from federal, provincial, and territorial governments, and industry (FPTI). Ten FPTI working groups are in place.
  - Due to the high number of pigs moving between the four Western provinces, the provinces are working to coordinate a response to any diagnoses of ASF in any one province. A steering committee and four working groups are active.

## **CROSS JURISDICTIONAL COMPARISON:**

- Canada is working closely with the U.S. and Mexico to keep ASF out of North America.
- B.C. is working with the other western provinces on preparation and prevention plans.
- Wild pigs in infected countries are a major obstacle to controlling the spread of ASF.
- Although B.C. has no wild boars, escaped domestic "feral" pigs present a risk to the

identification, control, and eradication of ASF, if it is detected in Canada. The Ministry of Water, Land and Resource Stewardship's (WLRS) Biodiversity and Ecosystems Branch manages wild pig response with support with identification and owner outreach for escaped pigs from AF.

- AF staff attend federal and provincial meetings on prevention and planning for ASF as well as participate in western regional and national working groups.
  - Ministry staff actively participate in working groups for the development of support programs for hog producers to address imminent needs of the sector in the event of an ASF detection as well as support for recovery of the sector after a market interruption.
  - Focus is turning to preparations for Phase Two (processor support) priorities and approaches. To date, supports identified for further evaluation include labour retention and employment insurance; breeding herd maintenance; other processor supports (i.e., feed mills, transportation, etc.); carcass utilization support (i.e., what to do with carcass parts that are typically exported); exit and mental health supports; and joint communications.
- AHC is well prepared to run diagnostic testing in case of an outbreak including keeping methodologies up to date and accreditation.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- AF pays for ASF testing of AHC and abattoir cases. Due to the small pork industry in B.C., approximately 50 samples per year are tested for a total cost of \$2,500.
- Under the Smallholder Program, AHC offers subsidized rates for producers with fewer than 100 pigs. The cost for a comprehensive postmortem investigation, including necropsy, microscopic tissues examination, and up to four additional tests, is \$75.
- Currently WLRS provides all funding for the removal of escaped pigs from the landscape.

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### **Animal Health Center**

#### **RECOMMENDED RESPONSE:**

- The atmospheric river (AR) event on November 15, 2021, led to widespread flooding in the Sumas Prairie area, including the Plant and Animal Health Centre (PAHC) laboratories and Abbotsford Agricultural Centre offices.
- Mechanical systems supporting the containment level 2 and containment level 3 (CL-3) laboratories, as well as other laboratory and office areas, were damaged by flooding.
  This included the acid neutralizer system, which treats effluent water before it joins the municipal system, the incinerator used for the safe disposal of hazardous animal waste, and the electron microscope used for diagnosing and identifying viruses.
- Most of the Animal Health Centre (AHC) laboratory sections became operational between March 3 and May 24, 2022, including serology, histopathology, bacteriology, parasitology, and Foreign Animal Disease (FAD) testing, avian influenza testing, avian necropsy, and polymerase chain reaction (PCR) testing for avian pathogens.
- On April 13, 2022, the first case of Avian Influenza (AI) in the province was detected. At the time, given that the AHC was not yet operating, samples were rerouted to the National Centre for Foreign Animal Disease in Winnipeg.
- Since resuming AI testing at the AHC on April 29, 2022, the AHC has tested about 68,488 avian samples as of January 31, 2025, as part of the Ministry's response to the ongoing AI outbreak.
- The AHC began testing bovine samples in May 2024 after AI was reported to be
  affecting dairy cattle in the United States of America (USA). Recent USA reports indicate
  that the virus has now been detected in several dairy herds, prompting enhanced
  surveillance, further investigation, and movement testing. The AHC is closely
  coordinating with the Office of the Chief Veterinarian (OCV) and USA authorities to
  monitor the situation and adjust its testing protocols as needed.
- Additional services, including all molecular diagnostics and limited necropsy services, resumed between July and September 2022.
- As the incinerator became operational, all remaining AHC testing and necropsy services resumed on November 28, 2022, apart from:
  - necropsy services for horses weighing more than 80 kilograms.
  - bovine spongiform encephalopathy (BSE or "mad cow disease") testing.
  - CL-3 laboratory for FAD testing; and
  - electron microscopy.
- Full equine necropsy services resumed on March 8, 2023.
- Repair work of the CL-3 laboratory was completed, and the laboratory was recommissioned for FAD testing on July 28, 2023.
- BSE testing resumed on September 11, 2023.
- The BSE lab section started testing for Chronic Wasting Disease (CWD) in October 2024 as well.

- As of January 31, 2025, the AHC received 4,299 CWD samples and tested 3566, including three positive cases.
- The electron microscopy service resumed on August 1, 2024, following the purchase of a new electron microscope.
- In June 2023, the PAHC regained all the remaining licenses from the Canadian Food Inspection Agency (CFIA) and the Public Health Agency of Canada. The PAHC is still in the process of relicensing its incinerator under the Hazardous Waste Permit with the Ministry of Environment and Parks.
- Limited flood mitigation measures have been put in place, and more extensive mitigations are being investigated.
- Plans to relocate the PAHC are underway. Although the PAHC has returned to full
  operations, its current facility sustained severe damage during the 2021 AR event and
  remains vulnerable to future flooding in its Sumas Prairie location.
- According to a report provided by Stantec in December 2023, another flood event, similar or worse to the 2021 event, is expected to occur in the next ten years.
- The facility is also experiencing structural instability due to a water table shift, which is creating hydrostatic pressure on the foundation and causing ongoing damage.
- In January 2024, a business plan was completed for a new facility designed to provide enhanced animal and plant health services in a secure, climate-resilient setting.
- Advice/Recommendations

- The AHC is the only accredited full-service veterinary diagnostic laboratory in British Columbia (B.C.), providing world-class veterinary laboratory diagnostic services to safeguard the health of all animals in B.C., protect the agricultural economy, and shield the public against zoonoses (diseases transmissible from animals to humans).
- The AHC offers more than 400 fee-for-service laboratory diagnostic tests for agents that may be found in wild and domestic birds, mammals, fish, reptiles, and amphibians.
- The AHC also supports the Animal Health Act and the OCV in managing disease outbreaks and animal welfare issues.
- The range of diagnostic testing included bacteriology, histopathology, molecular diagnostics, necropsy, serology, virology, electron microscopy, and BSE and CWD testing.
- The AHC is the only laboratory in B.C. that is authorized and certified by the CFIA to test for FAD, such as AI and African Swine Fever.
- The AHC processes approximately 10,000 diagnostic case submissions annually and serves around 800 clients, including veterinarians, animal and farm owners, universities, and government agencies. Its services support disease control and prevention, farm profitability, business sustainability, animal welfare, food safety, and public health.

- The turnaround time for testing at the AHC ranges from eight to ten hours for a
  suspected FAD or high-consequence disease PCR test to approximately one week for a
  complete necropsy of a large animal. The latter timeframe includes testing multiple
  samples across all laboratory sections, conducting the necropsy, and performing a
  histopathology evaluation by a veterinary pathologist.
- The AHC's ability to provide faster testing services is critical for the early detection and containment of animal disease outbreaks such as AI.
- Early detection is crucial for the effective and rapid containment of diseases to protect animal and human health and minimize negative economic impact.

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

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

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The estimated cost to restore the facility to operational status is \$7.6M to date with ongoing repairs of the facility due to structural instability.
  - o The cost of restoration of the incinerator was \$1.76 million.
  - o The cost of restoration of the CL3 facility was \$2.13 million.
  - The cost to replace the electron microscope was \$1.2 million.
- The estimated cost of lost consumables, equipment, and tests sent to other laboratory facilities is approximately \$2.5 million.
- An assessment of future flood events and potential mitigation measures is currently underway.

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# Avian Influenza (AI)

#### RECOMMENDED RESPONSE:

- In fall 2024, British Columbia (B.C.) experienced the fifth wave of a Highly Pathogenic Avian Influenza (HPAI) outbreak that began in April 2022. To date, 202 commercial and 37 non-commercial flocks have been affected. The Canadian Food Inspection Agency (CFIA) estimates that, since the outbreak began, over 8.5 million birds have been affected in B.C., and over 15.3 million birds have been affected in Canada.
- The Ministry of Agriculture and Food (the Ministry), the CFIA, and the B.C. poultry industry are well-coordinated in avian influenza (AI) surveillance, testing, and response, and are working to identify strategies to reduce the impact of HPAI in fall 2025.
- The fall 2024 HPAI outbreak impacted more farms but fewer birds than in fall 2023 and saw a more streamlined response from the Ministry, CFIA, and industry due to lessons learned in 2022 and 2023.
- The Ministry continues to work closely with the CFIA and B.C. poultry producers to ensure enhanced prevention and preparedness measures are in place to protect poultry flocks from future outbreaks.

- B.C., particularly the Fraser Valley, is uniquely vulnerable to HPAI compared to other Canadian provinces due to the density of poultry production within the Fraser Valley, and due to its location along a major waterfowl migration route.
- In 2004, B.C. experienced an outbreak of AI that resulted in the depopulation of 62 million birds on 53 premises. In 2014 to 2015, an outbreak led to the depopulation of 240,000 birds on 13 premises. The fall 2024 outbreak has impacted 81 poultry operations compared to the 54 operations impacted in fall 2023.
- Avian influenza is a federally regulated disease, and CFIA leads the investigation and response with provincial support for testing, mapping, surveillance, and disposal.
- The Ministry is responsible for supporting the CFIA response, developing and implementing provincial policies and programs to monitor and mitigate HPAI risks while coordinating and liaising with other provincial responders.
- The Office of the Chief Veterinarian (OCV) conducts wild bird and wetland HPAI surveillance, issues orders to prevent disease spread (e.g., ordering that commercial flocks be kept indoors away from wild birds), liaises with Public Health partners, and educates producers and the public.
- The Plant and Animal Health Branch's Animal Health Centre (AHC) provides diagnostic testing for HPAI in domestic birds.
- The Emergency Management Branch (EMB) liaises directly with CFIA and Industry to connect them with other B.C. Ministries, manage issues that fall within provincial jurisdiction, and support day-to-day response activities.
- CFIA is the lead responder for HPAI and manages all four western provinces under a

single Western Incident Command Post.

- Industry support is coordinated by the BC Poultry Association's (BCPA) Emergency
  Operations Centre Director, with involvement from the BCPA representatives, the
  poultry marketing boards, and commission.
- CFIA compensates producers for flock destruction; however, businesses in the poultry supply chain are not eligible for compensation. Infected flocks are culled quickly to reduce economic impacts on these partners and to limit disease spread.
- The loss of a poultry flock, along with the costs associated with cleaning and disinfection-expenses not covered by CFIA compensation, can significantly impact a producer's net farming income. Producers experiencing a loss in net farming income due to HPAI are eligible to enroll in AgriStability.
- In November 2024, B.C. reported its first locally acquired human case of HPAI. The
  Ministry actively supported public health efforts with expertise and animal testing.
  Fortunately, although the individual was critically ill, they recovered and were
  discharged from the hospital in January 2025.
- Public health authorities are actively addressing human health risks associated with HPAI. The Chief Veterinarian participates in provincial and national public health working groups, including meetings with Chief Medical Officers of Health.
- The Chief Veterinarian and Ministry staff maintain regular contact with the B.C. Centre for Disease Control (BCCDC) and other public health partners to support follow-up on infected premises.

## **CROSS JURISDICTIONAL COMPARISON:**

- Between 2005 and 2023, HPAI affected 547 million poultry worldwide, with an unprecedented peak of 146 million in 2022 across 84 countries.
- In March 2024, the first case of HPAI was detected in United States (US) dairy cattle, affecting 937 premises in 16 states to date. Canadian dairy cattle herds have not been impacted.
- Human cases have been reported globally, typically linked to direct exposure to infected birds or dairy cattle, including cases in the US. However, there has been no evidence of human-to-human transmission.

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

- In June 2023, the Province introduced a new \$5-million Farmed Animal Disease Program to support farmers with enhanced biosecurity measures, disease response equipment, research, and training so they can better prepare for and prevent the risk of diseases such as avian influenza.
- OCV programs for HPAI surveillance have an annual budget of approximately \$700,000 for laboratory testing and whole genome sequencing.
- Provincial staff from EMB and OCV have dedicated significant time to the HPAI
  response since 2022, primarily from October to January each year, equivalent to an
  estimated four full-time employees (FTEs) annually during this period.

#### ESTIMATE NOTE- FISCAL 2025/26

## Ministry of Agriculture and Food

Confidential Advice to Minister

- In 2023, the AHC received 9,047 samples for HPAI testing, rising to 12,221 samples in 2024 - a 35 percent increase. This surge reflects heightened CFIA surveillance and Ministry outbreak response efforts.
- AHC staff worked overtime, Saturdays, and Sundays to manage the increased workload, ensuring timely processing and outbreak containment. The AHC lab has remained open every weekend from early October through January, placing an additional burden on staff, some of whom are not compensated for after-hours work.
- The AHC has invested nearly \$800,000 in automation equipment to enhance outbreak response capabilities, improve efficiency, and manage the rising volume of samples while reducing manual labor and minimizing staff injuries from repetitive testing tasks.
- In 2024, the Ministry recovered approximately \$415,000 from CFIA for testing and overtime; however, expenses have risen to nearly \$1 million due to increased costs in supplies, lab consumables, and FTEs.

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# **Chronic Wasting Disease**

#### RECOMMENDED RESPONSE:

- Provincial, First Nations, and local governments are working together to mitigate the risks of Chronic Wasting Disease (CWD), with the Ministry of Water, Land and Resource Stewardship (WLRS) as the lead provincial agency.
- The Ministry of Agriculture and Food (AF) is supporting the response to CWD through contributions that include Chief Veterinarian orders under the *Animal Health Act* (AHA) and laboratory testing at the Animal Health Centre (AHC).

- CWD is a neurological disease that affects species in the deer family (cervids), including deer, elk, moose, and caribou.
- The disease is caused by abnormal proteins (prions) that accumulate in tissues, most significantly in the brain.
- There is no vaccine or treatment CWD is always fatal.
- Infected animals shed infectious prions through urine, feces, and saliva.
- CWD prions can also enter the environment via infected carcasses or contaminated materials.
- Animals are exposed to CWD through direct contact with infected animals or contaminated environments.
- CWD can then spread through natural animal movements or the human movement of infected animals, animal parts, and/or contaminated materials.
- There is no direct evidence that CWD can be transmitted to humans, and there
  have been no reported cases in humans. However, to prevent potential risk of
  transmission or illness, Health Canada recommends that people do not eat
  meat or other parts of an animal infected with CWD. Cooking temperatures are
  insufficient to destroy the abnormal protein that causes the disease.
- CWD was detected for the first time in British Columbia (B.C.) in January 2024 in deer samples from the Kootenay Region. Since then, there have been five detections in the region. This is not surprising given that rising CWD rates are just south of the border in Montana. No detections have occurred in other regions of B.C.
- Surveillance and preventative measures have been ongoing in B.C. for over 20 years, with targeted efforts in the highest-risk areas. With vital support from partners and communities, the B.C. government has been able to detect CWD early.
- The priority now is expanded surveillance and risk mitigation to reduce disease transmission, prevent its spread to new areas, and limit the negative impacts of CWD as much as possible.

# ESTIMATE NOTE- FISCAL 2025/26 Ministry of Agriculture and Food

Confidential Advice to Minister

• There are AHA orders in place that require all harvested animals in regions with positive cases are tested for CWD, with a process to inform hunters of their results.

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

- CWD is present in Alberta (AB), Saskatchewan, Manitoba, and 35 states in the
  United States. Montana has reported cases in counties bordering B.C. While AB and
  Washington State have reported cases, these are farther from B.C.'s borders.
- Despite significant efforts in some provinces and states, controlling CWD in other jurisdictions has been largely unsuccessful.

#### **FIRST NATIONS**

- First Nations are integrated into all CWD-related work in B.C. and in affected areas, participating at both advisory and operational levels.
- First Nations are highly concerned about the impacts of CWD on food security, food safety, and wildlife health.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- In 2024, AHC received 4,268 samples for CWD testing, including three positive samples as of January 31, 2025.
- There has been a significant increase in laboratory workload and associated costs for CWD surveillance, including expenses for supplies, equipment, and full-time staffing.
- A full-time auxiliary employee was hired on a two-year term to support the
  increased workload. The position is partially funded by WLRS and the Sustainable
  Canadian Agricultural Partnership (S-CAP), totaling approximately \$84,000. An
  additional \$100,000 has been recovered from WLRS to cover testing and overtime
  costs.
- Staff have logged over 100 hours of overtime to manage the surge in workload.

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# **Feral Pigs**

#### RECOMMENDED RESPONSE:

- A feral pig is defined as a pig of the genus Sus that is not in captivity or is not otherwise under a person's control (Wildlife Act).
- Feral pigs have been reported in small numbers around the province, but the distribution and abundance of this species is not well understood.
- Establishment of feral pigs in the landscape would have negative impacts on agriculture and natural ecosystems. They prey on and compete with native wildlife and livestock, damage ecosystems, spread disease, destroy crops, and pose a risk to public safety. Once populations are well established, they are next to impossible to eradicate.
- · Establishing feral pigs in the landscape would make disease control more difficult.
- Feral pig response is complex and can involve animal welfare concerns and jurisdictional overlap among several ministries and external agencies. However, British Columbia is uniquely situated to get ahead of this problem before self-sustaining feral pig populations are established.
- B.C. has a feral pig strategy, and a cross-ministry feral pig working group.
- B.C. has an Early Detection Rapid Response (EDRR) program to eliminate feral pigs as soon as they are discovered to prevent a population from establishing themselves. The program regularly responds to reports of pigs at large and monitors a few properties of concern where pigs escape the premises due to insufficient enclosures. As a result, there remains strong concerns that escaped pigs can establish a self-sufficient population that would be difficult for the province to eradicate.

- There are no native species of feral pigs or boar in B.C.
- Feral pigs can escape pink,' 'pot-bellied', or similar pig varieties (Sus domesticus), escaped farmed Eurasian wild boar (Sus scrofa), or crosses/hybrids.
- Eurasian wild boars were introduced to Canada in the 1980s for farmed meat production. Due to fluctuations in demand, some producers intentionally released these pigs. Escapes and releases continue to occur. This has led to populations becoming established in some parts of Canada. Their range and population have expanded quickly in recent years, primarily from Alberta to Manitoba. The risk of these feral pigs crossing into B.C. is extremely high.
- Feral pigs are an extremely successful invasive species because they are prolific breeders, consume a diverse and opportunistic diet (including garbage), are long-lived, adapt to variable climates and habitats, and avoid predation very effectively.
- Feral pigs cause serious negative environment (rooting, trampling, wallowing), economic (damage to crops and farm equipment, predation), and health impacts (through disease transmission to humans, livestock, or wildlife). Feral pigs can migrate and become a reservoir for diseases such as African Swine Fever.

- Agriculture losses due to physical crop damage in the United Sates from feral pigs alone are estimated at \$2.5B USD per year.
- The B.C. Hog industry is comprised of both commercial and non-commercial operations.
  - Commercial hog producers in B.C. are subject to provincial licensing requirements as per the British Columbia Hog Marketing Scheme. Commercial hog producers are defined as those who market or have the facilities to market more than 300 hogs per year; there are currently 12 commercial hog producers in B.C.
  - Non-commercial operations raise less than 300 pigs annually. There are more than 1,800 premises across B.C. that report having hogs. For those non-commercial hog producers, there is no provincial licensing/inspection system that pertains to those raising domestic pigs (*Sus domesticus*), Eurasian wild boar (*Sus scrofa*), or crosses. It is thought there are currently no Eurasian wild boar farms in B.C.
- Under the Livestock Act, pigs must be kept on land of the owner of the pigs. They are
  considered "at large" and subject to capture if they are on land other than land of the
  owner of the pigs. Pigs are not permitted to be on Crown land.
  - There is not a prescribed containment/fencing requirement for outdoor pig farming in B.C. However, the Ministry of Agriculture and Food (AF) small lot producer manual recommends that wild boar farms should follow fencing specifications that the government of Alberta has made mandatory for wild boar farm operators.
- The B.C. Ministry of Water, Land, and Resource Stewardship (WLRS) Invasive Fauna Unit is the lead provincial agency on feral pigs.
- Under the Wildlife Act, any pig at large is considered feral and can be removed from the landscape immediately. WLRS leads an EDRR program which regularly responds to reports of pigs at large and has a few properties of concern where pigs are allowed to leave the premises due to insufficient enclosures.
- AF participates in a cross-ministry working group on feral pigs that includes the AF Livestock specialist team, EM staff, the Chief Veterinarian, and WLRS staff.
- B.C. has a feral pig strategy and has invested in equipment and training for capture through a program managed by WLRS.
- AF staff attended a Pacific Northwest Agriculture Tabletop Exercise on feral swine encroachment and cross border communication from October 26-27, 2023, in Spokane, WA to explore the communication pathways and incident coordination measures in the event of an invasive species and/or threat of transboundary disease outbreak along the United States-Canada border.

#### FIRST NATIONS CONSIDERATION

 Some First Nations have expressed concern in B.C. about the potentially negative impact of feral pigs on landscape.

## **CROSS JURISDICTIONAL COMPARISON:**

- AF staff participate in national wild pig management strategic planning work led by Animal Health Canada.
- Prairie agriculture economies in Saskatchewan and Manitoba, as well as the
  United States have been negatively impacted by feral pigs, and there are control
  programs in place, however, eradication has not been achieved anywhere where
  populations have become established.
- Invasive Species Council of BC received funding through Agriculture Agri-Food Canada's
  African Swine Fever Industry Preparedness Program for feral pig work. Their Squeal on
  Pigs BC project aims to address the need for preventative action on invasive pigs in B.C.
  through a comprehensive approach involving outreach, education, monitoring, and
  response strategies.
  - o AF and WLRS staff participate on the advisory group for this project.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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## **Foot and Mouth Disease**

#### RECOMMENDED RESPONSE:

- British Columbia (B.C.) recognizes the serious threat that Foot and Mouth Disease (FMD) poses to Canadian livestock industries.
- The Ministry is fully engaged on FMD and Federal-Provincial-Territorial (FPT) tables, including work on the vaccine bank and vaccination strategy, and other initiatives related to FMD prevention, surveillance, response, and communications.

#### **BACKGROUND:**

- FMD is a highly infectious viral illness that causes significant production loss and high
  mortality in cloven-hoofed animals (e.g. cattle, sheep, goats, pigs, bison, deer).
   Symptoms and amount of viral shedding (infectiousness to other animals) vary
  between animal types. Virus can spread between farms through animal movements
  and over many kilometers (ext. 20km downwind) in air currents.
- FMD virus is very hardy and can remain infectious in materials such as bones, as well as some cured meats.
- FMD is not a human health or food safety threat. The disease is not related to hand, foot, and mouth disease, a common childhood illness caused by a different virus.
- FMD is reportable to the World Organization for Animal Health (WOAH), and detection
  of FMD in a previously FMD free country has immediate and significant trade
  implications, as well as very high outbreak response costs.
- Outbreaks of FMD continue to occur globally. In January 2025 Germany announced a case of FMD after having been FMD free since 1988.
- Canada has been free of FMD since 1952.
- The Canadian Food Inspection Agency (CFIA) is the lead agency on FMD in Canada.
- If an FMD case were detected in Canada, the goal would be to return to WOAHrecognized disease freedom status as quickly as possible.
- An important risk pathway for introduction into Canada is the (illegal) movement of animal and meat products.
- In 2024, CFIA announced \$57.5 million over 5 years, and \$5.6 million ongoing to fund a Canadian FMD Vaccine bank that could be used in the case an outbreak that could not be rapidly stamped out using other measures such as depopulation of infected farms and stop movement orders.
- After the vaccine bank announcement, CFIA approached the provinces Intergovernment Financial Information; Government Financial Information; Intergovernmental Communications
- Animal Health Canada has been leading collaborative, multi-commodity Industry planning for FMD at the national level since 2024, and progress is good.

## **CROSS JURISDICTIONAL COMPARISON:**

 All provincial and territorial governments are engaged in national planning for FMD and are communicating at the Chief Veterinary Officer level regularly. Because of calculation methods used by federal agencies, proposed cost share for B.C. (1.7 million) is significantly less than other provinces such as Alberta (11.4 million), Quebec (7.9 million), and Ontario (8.8 million).

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- AF staff are engaged in National and B.C. provincial FMD planning work, and this is expected to ramp up over next three to four years. Government Financial Information; Intergovernmental Communications

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## **Infectious Laryngotracheitis (ILT)**

#### RECOMMENDED RESPONSE:

 AF continues to work with the poultry sector to control this economically significant infectious disease of chickens within BC's poultry production regions.

#### BACKGROUND:

- Infectious Laryngotracheitis (ILT) is an economically important respiratory viral disease
  affecting chickens (both commercial and non-commercial). It results in high mortality
  rates (up to 20 percent) and decreased productivity. ILT does not affect other
  commercial poultry species (i.e., turkeys).
- ILT does not infect people, and it is not a food safety risk. Positive broiler flocks
  may be sent for slaughter as food is safe for consumption, although the disease
  can result in processing downgrades, particularly in birds destined for specialty
  markets.
- ILT is highly contagious and once a barn is infected, it can persist in the environment between flocks. It spreads between farms through breaches in biosecurity.
- Long lived commercial production birds such as layers and broiler breeders are
  routinely vaccinated for ILT under the direction of their poultry veterinarian. Due to a
  short lifespan and/or the cost of vaccinating, shorter lived birds, such as some broilers,
  and non-commercial flocks are not vaccinated.
- Control of ILT continues to be a challenge for poultry producers, particularly in the Fraser Valley, causing ~ 20 to 40 outbreaks per year.
- The Animal Health Centre (AHC) diagnostic laboratory identifies cases of ILT through post-mortem examination and Polymerase Chain Reaction analysis of affected chickens, and a confirmed diagnosis of ILT is provided within ~ 24 hours of a bird or sample being submitted to the laboratory.
- ILT is reportable under the Animal Health Act and the Office of the Chief Veterinarian (OCV) tracks cases of ILT in BC and issues disease alerts to industry when cases occur. Disease alerts allow neighboring producers and allied industries to enhance their biosecurity measures to mitigate against disease spread.
- Due to the increasing occurrence of ILT in the Fraser Valley, the OCV has developed special programs to better understand virus transmission and identify options to prevent future outbreaks.
- The program includes: 1) the Smallholder Disease Diagnosis Program, which supports
  early disease detection in smallholder poultry through subsidized diagnostic and
  postmortem testing; 2) the ILT genomics project, which is developing novel tools to
  identify and characterize ILT viruses; and 3) a epidemiology study to understand how
  the viruses is being spread among poultry farms in BC and to investigate the risk
  factors associated with ILT outbreaks.

## **CROSS JURISDICTIONAL COMPARISON:**

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

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- · The economic cost of ILT has not been determined.
- AHC provides subsidized rates for commercial and non-commercial poultry
  producers seeking post-mortem examination to determine the cause of sickness
  and death in their birds. For commercial poultry, a full post-mortem
  investigation for up to eight birds (including necropsy, microscopic tissues
  examination, and up to four additional tests) costs \$140. For premises that have
  less than 100 poultry, the cost is \$25 under the Smallholder Diagnostic Program.

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## **ACCESS TO VETERINARY SERVICES**

#### RECOMMENDED RESPONSE:

- The Ministry of Agriculture and Food (AF) acknowledges the crucial role of veterinarians and veterinary technologists in maintaining animal health and welfare, ensuring food security, and supporting a resilient livestock sector that benefits rural families and communities.
- In 2023, British Columbia (B.C.) announced a permanent increase in funding for the Western College of Veterinary Medicine (WCVM), doubling the number of funded seats from 20 to 40 each year. B.C.'s total investment in the WCVM now stands at approximately \$17.6 million for 40 graduates.
- Additional initiatives taken to increase access to veterinary services include:
  - Designating 15 percent of B.C. seats at the WCVM to students more likely to work in large animal and/or rural mixed animal practice after graduation,
  - Providing clinics that offer food and animal services with funding to hire veterinary services students for work placements,
  - Adding veterinary services to the list of priority occupations under the Provincial Nominee Program,
  - Establishing a Locum Pilot Program and providing funding for clinics to pilot innovative practices to improve the attraction and retention of veterinary services providers; and,
  - Established a Regional Recruitment and Retention Program in practices that provide veterinary services for food animals, particularly in rural B.C.

#### **BACKGROUND:**

- Across Europe, Australia, New Zealand, and North America, including B.C., there's a notable shortage of veterinarians and veterinary technicians.
- The Canadian Veterinary Medical Association conducted a labor market study in 2019, revealing a shortfall of approximately 100 veterinarians in B.C. This shortage is particularly acute for large animal veterinarians and in rural areas.
- In 2021, the College of Veterinarians of British Columbia (CVBC) initiated the provisional supervised active license program to allow foreign trained veterinarians waiting for final accreditation to begin working under supervision.
- The BC Cattlemen's Association conducted a study in March 2023, focusing on veterinary service access in northern B.C. This study confirmed significant shortages in large animal veterinary services, which have substantial economic and animal welfare implications in the agricultural sector.
- Livestock producers in underserviced areas have been vocal about service gaps and proposed several solutions.
- B.C. has a longstanding history of collaboration with WCVM, focusing on veterinary education for Western Canada. This partnership was strengthened by the funding of

- additional veterinary seats at WCVM, reflecting the province's commitment to addressing the needs of the veterinary sector.
- A provincial inter-agency working group, active since spring 2023, comprises staff from AF Corporate Policy and Priorities Branch and Office of the Chief Veterinarian (OCV), the Ministry of Post-Secondary Education and Future Skills (PSFS), and the CVBC and aims at collaboratively and proactively devising solutions to the veterinary shortage issue.
- In addition to increasing the number of subsidized seats at the WCVM, the Province of B.C. has:
  - Designated 15 percent of the provincially subsidized WCVM seats as "agriculturefocused" seats, which prioritize the admission of students more likely to work in a large animal and/or rural mixed animal practice after graduation,
  - Established a veterinary and veterinary technologist summer student support program; one of the key objectives of which is to facilitate relationships between B.C. veterinary practices that offer food animal services and veterinary professionals-in-training to improve opportunities for recruitment of new graduates into these practices,
  - Conducted research (including jurisdictional scans and surveys) into the international and extra-provincial support programs supporting veterinary attraction and retention to learn of potential opportunities to further address the veterinarian shortage,
  - Engaged with local governments, veterinarians, and producer organizations in August 2024, specifically in relation to food animal services in rural areas, with the goal of fostering strong partnerships that can contribute to the success of programs and ensure long-term sustainability,
  - Established the 'Regional Recruitment and Retention of Veterinary Service Delivery for Food Animals (VET) Program,' which is a \$1.4 million program offering up to \$25,000 per clinic to pilot new and innovative practices and develop partnerships to improve the attraction and retention of veterinarians and registered veterinary technologists in practices that provide veterinary services for food animals, particularly in rural B.C.; and,
  - Established the <u>Locum Pilot Program</u> in B.C., which is designed to increase the pool of veterinarians and registered veterinary technologists that are available to provide locum services for B.C. veterinary practices that offer care for food animals, with a priority for servicing practices outside of the Lower Mainland.

## **CROSS JURISDICTIONAL COMPARISON:**

- In Atlantic provinces, the Ministries of Agriculture employ large animal veterinarians.
- Alberta, Saskatchewan, Manitoba, and Quebec fund veterinary students to work in rural practices during school breaks.
- Ontario <u>recently announced</u> a \$15 million investment in veterinary services for rural and northern communities.
- Veterinary telemedicine and mobile veterinary services are on the rise in Canada in rural/northern communities.

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

N/A

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

#### RECOMMENDED RESPONSE:

- British Columbia's (B.C.) livestock and farm animal operators are among the best in Canada and the National Farm Animal Care Council (NFACC) Codes of Practice (the Codes) support their good work. Building the Codes into regulation in B.C. provides consumers with confidence around these management practices and protects farmers and ranchers when practices are misperceived or challenged.
- Ministry of Agriculture and Food (Ministry) staff continue to work with animal welfare stakeholders to monitor potential issues and ensure the necessary animal welfare policies and regulatory frameworks are in place in B.C.
- Ministry staff have previously provided comments and suggestions on proposed revisions and amendments to the Codes. Currently, NFACC is <u>updating</u> a number of the Codes, including: 'Beef Cattle', 'Equines', 'Chickens, Turkeys and Breeders', 'Pullets and Laying Hens', 'Sheep', and 'Pigs' and Ministry staff may be provided opportunities to comment as the initiatives progress.

#### BC Farm Industry Review Board (BCFIRB)

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

#### Role of the Marketing Boards/Commissions

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

#### Animal Welfare Framework

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

#### **BACKGROUND:**

- PCAA is the primary piece of animal welfare legislation in the Province; it falls under the responsibility of the Ministry.
- BC SPCA is the legislated animal welfare inspection and enforcement body under PCAA.
   PCAA provides BC SPCA with powers to exercise enforcement and compliance activities and relieve animals in distress.
- NFACC is the national lead for farm animal care and welfare in Canada. NFACC is a
  division of Animal Health Canada and is based on a collaborative partnership of diverse
  stakeholders including industry representatives, enforcement agencies, veterinarians,
  animal welfare organizations, and government bodies.
- NFACC develops species-specific codes through broad stakeholder representation and expertise on Code Development Committees, including a scientific committee that identifies a list of priority animal welfare issues for the species under consideration. NFACC functions as a consensus-based model of decision-making.
- Effective June 1, 2019, the Animal Care Codes of Practice Regulation (the Regulation) of PCAA establishes twelve of the Codes as reasonable and generally accepted practices of engaging in animal management.
- While failure to abide by the Codes is not necessarily an offence under the Regulation, demonstrating compliance with the Codes can be used as a defense against a charge of causing animal distress under the PCAA.
- The codes named in the Regulation provide guidelines for:
  - beef, bison, dairy cattle, hatching eggs, breeders, chickens and turkeys, equines, farmed fox, farmed mink, pigs, pullets and laying hens, rabbits, sheep, and veal cattle.
- To support the implementation of the regulatory changes, the Ministry hosted a working session on March 15, 2019, which was well represented by industry. Discussion at the session focused on concerns, best implementation practices, and BC SPCA Special Provincial Constable training with regards to the Regulation.
- From 2022-2024, the Ministry undertook a project to assess B.C.'s farmed animal
  welfare framework (see Estimate Note 'Farmed Animal Welfare Framework Review
  Project CPPB'), which included input from an NFACC representative.

## **CROSS JURISDICTIONAL COMPARISON:**

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

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

## ESTIMATE NOTE- FISCAL 2025/26 Ministry of Agriculture and Food

Confidential Advice to Minister

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## College of Veterinarians of British Columbia (CVBC) Bylaw Review

#### **RECOMMENDED RESPONSE:**

- The CVBC is a self-governing agency responsible for regulating veterinarians in British Columbia (B.C.), principally through the establishment of bylaws in relation to the administration and practice of veterinary medicine.
- The Ministry of Agriculture and Food (the Ministry) is currently working with the CVBC in regard to ongoing matters, including a bylaw review.

#### **BACKGROUND:**

- The Veterinarians Act (VA) establishes the powers and responsibilities of the CVBC in regulating the profession. The mandate of the CVBC is to regulate the delivery of veterinary medicine in B.C. to ensure the public and animals are served by a competent and ethical profession.
- Veterinarians are also supported by the Society of British Columbia Veterinarians (SVBC); which is a chapter of the federal Canadian Veterinary Medical Association.
  - The SBCV provides provincial services like local professional development opportunities, social and networking events.
  - The SBCV also represents the interests of B.C. veterinarians with the provincial government, animal welfare organizations and other stakeholders in the animal health care profession within the province.
- In April 2024, the CVBC wrote a memorandum to the previous Minister of Agriculture and Food with concerns over the legislated requirement for registrants to approve changes to a majority of the CVBC's bylaws, as set out in Section 26 of the VA.
- Section 26 of the VA specifies that all CVBC bylaws (except for those indicated under Section 26 (1)) must be approved by a simple majority of registrants eligible to vote.
- The Ministry has been working with the CVBC to assess the situation and look for possible solutions.

## **CROSS JURISDICTIONAL COMPARISON:**

- All other Canadian provinces have regulatory bodies (either colleges or associations) overseeing the regulation of the veterinary profession.
- The Ministry conducted a jurisdictional scan of the regulatory bodies for veterinary medicine in other regions to identify potential recommendations for bylaw changes.
- Research conducted in other jurisdictions suggests that most veterinary regulatory bodies in Canada, through their bylaws, have vested the power or authority to set fees in either the council or the registrar.

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

• The CVBC is funded primarily by registrants and receives no funding from the Province.

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## Domestic/ Wild Sheep Disease Risks – incl. M. OVI Minister's Advisory Committee

#### RECOMMENDED RESPONSE:

- Mycoplasma ovipneumoniae (M. ovi) is a serious disease of wild sheep and goats and can be transmitted from domestic animals to wild sheep populations.
- An M. ovi Strategic Advisory Group (MSAG) was established in 2018 to seek
  collaboration and consensus among members which included the British Columbia
  (B.C.) Government and both wild and domestic sheep external stakeholders. Upon
  MSAG's dissolution early in 2022, the group recommended a strategic action plan with
  both regulatory and non-regulatory actions to mitigate the transmission of M. ovi. The
  Ministry of Agriculture and Food (AF) has been actively supporting MSAG
  recommendations by:
  - Exploring the development of regulatory policy options; and,
  - Providing a contract for subsidized PCR testing for M. ovi to domestic sheep and goat producers in FY22/23 and FY23/24 for \$33K each fiscal year.
- AF staff have been working collaboratively with the Ministry of Forests (FOR) and the Ministry of Water, Land and Resource Stewardship to develop potential M.ovi mitigation policy options.

#### **BACKGROUND:**

- The sheep industry in B.C. is comprised of approximately 1,415 farms reporting 54,608 sheep and lambs in B.C. with estimated farm cash receipts of \$11.5M (Statistics Canada, 2021). There are approximately 20K sheep in regions of B.C. with wild sheep. The domestic goat industry in B.C. is comprised of 795 farms reporting 17,256 goats (Statistics Canada, 2021) with approximately 5K goats in regions of B.C. wild sheep.
- M. ovi is a bacterium that infects nasal passages of wild and domestic sheep and goats.
- In wild sheep (bighorns and thinhorns) M. ovi is considered a serious population threat and is associated with massive all-age die-offs due to pneumonia, often followed by years of poor lamb survival rates. It can cause disease and possibly poor growth rates in domestic sheep and goats, but the primary concern is transmission to wild sheep.
- M. ovi does not cause disease in people and is not a food-safety threat.
- There is currently no known method to eradicate M. ovi from an infected domestic sheep flock/goat herd or effective vaccination, but research is ongoing.
- Minimizing the risk of contact between wild sheep and infected domestic sheep and goats is currently the only way to decrease the risk of transmission in wild sheep.
- MSAG was established in 2018 to seek collaboration and consensus among members, which included both AF, FOR staff and both wild and domestic sheep external stakeholders. MSAG's purpose was to recommend priorities, provide strategic advice, and offer policy guidance to the Province on how to reduce transmission of M. ovi from domestic sheep and goats to wild sheep and goats. Upon dissolution in 2022, the group recommended a regulatory policy analysis and a non-regulatory strategic action plan.

- In 2022-2023 AF provided \$33K to support some of the non-regulatory actions. The intent was to increase education and awareness among the B.C. sheep and goat sector of M. ovi and its mitigation; promote testing in domestic animals for M. ovi; summarize test results in B.C.; and recommend a testing protocol.
- AF extended the contract into 2023-2024 for an additional \$33K. The continuation of the
  project facilitated the assessment of the economic feasibility and adaptability of the
  testing model for application in other areas of the province. The objective of this
  assessment will be to determine the economic efficiency of the model, as well as its
  effectiveness in increasing awareness and/or knowledge of M. ovi amongst producers.
- The two-year program has tested over 600 sheep across 50 different farms in the Kootenay, Boundary, Caribou, Okanagan, Thompson, and Vancouver Island regions of the province.
- AF has also undertaken a mapping exercise where domestic sheep locations were overlapped with wild sheep habitats. The intent is to use this information to assist in policy planning, and to better estimate the impacts of potential policy options on the agriculture industry.

### **CROSS JURISDICTIONAL COMPARISON:**

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

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Testing costs so far have been borne by the submitter. However, the test continues to have problems with specificity; positive tests often require further testing and DNA sequencing to confirm. This means the actual cost of the test to AF often exceeds the cost paid by submitters depending on the number of tests that are positive.
- 0.3 FTE in CPPB, 0.01 FTE in PAHB, 0.4 FTE in ESSB (includes support on other sheep and goat industry development files).

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## **Farmed Animal Welfare Review**

#### RECOMMENDED RESPONSE:

- People expect farmed animals in British Columbia (B.C.) to be treated ethically and with care, which is a priority our government shares.
- In early 2024, an Advisory Committee delivered <u>recommendations</u> (Recommendations Report) on B.C.'s <u>farmed animal welfare framework</u> to the Deputy Minister (DM) of the Ministry of Agriculture and Food (Ministry).
- Ministry staff are reviewing the Recommendations Report of the Advisory Committee to see how the objectives of the report can best be achieved.

#### **BACKGROUND:**

- In August 2022, the DM initiated a project to review B.C.'s farmed animal welfare framework. To better understand B.C.'s framework, Ministry staff conducted research, reviewed existing legislation/policies, and engaged extensively with key partners, animal welfare experts, producers, and farming organizations to compile background information for use in the review.
- In March 2023, the Advisory Committee was appointed by the DM. <u>The Committee was composed of a diverse set of farmed animal agriculture stakeholders and partners</u>, which included representatives from:
  - The BC Society for the Prevention of Cruelty to Animals (BC SPCA),
  - o A wide range of sectors within the agricultural industry,
  - Law enforcement,
  - Veterinarians; and,
  - Other Canadian animal welfare experts.
- The Advisory Committee was mandated to deliberate on the research gathered and provide recommendations which would:
  - Make B.C.'s farmed animal welfare framework more explicit and transparent,
  - Ensure that the framework promotes high standards of farmed animal welfare;
     and,
  - Ensure that the framework supports those involved in delivering these standards on an ongoing basis.
- In early 2024, the Advisory Committee submitted the Recommendations Report, as well as an accompanying Farmed Animal Welfare Legislative Framework document, to the DM for consideration. Following the submission of these reports, the Advisory Committee was disbanded.
- The Recommendations Report advised on several subjects, including (but not limited to):
  - 1. Advice/Recommendations
  - 2.

#### ESTIMATE NOTE- FISCAL 2025/26

## Ministry of Agriculture and Food

Confidential Advice to Minister

- 3. Animal welfare during transportation,
- 4. Animal welfare during processing,
- 5. Farmed animal welfare related to climate change and emergencies,
- 6. The international veterinarian shortage; and,
- 7. The human, animal, and environmental welfare interconnections (one welfare').
- Many of the recommendations within the report have already been partially or fully implemented by the Ministry (e.g. the recommendations concerning animal welfare during processing and the international shortage of veterinarians).

#### Advice/Recommendations

## **CROSS JURISDICTIONAL COMPARISON:**

- Every province and territory in Canada have a unique animal welfare framework protecting animals within their jurisdiction.
- Some provincial governments are directly responsible for the inspection and enforcement of farmed animal welfare within their jurisdictions, such as in Ontario, Nova Scotia, and Prince Edward Island. In other provinces, like in B.C., farmed animal welfare is either fully or partially delegated to other organizations.

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- Actioning each recommendation will require varying levels of resource commitment on the part of the Ministry and the Province.
- Advice/Recommendations

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## Funding for BC Seats at Western College of Veterinary Medicine

#### **RECOMMENDED RESPONSE:**

- The College of Veterinarians of British Columbia (CVBC) and the Canadian Veterinary Medical Association-Society of British Columbia Veterinarians (CVMA-SBCV) have emphasized an ongoing shortage of veterinarians in B.C. for several years. Veterinary shortages are widespread across Canada as well as across Europe, Australia, New Zealand, and North America.
- The Ministry of Post-Secondary Education and Future Skills (PSFS) developed a
   "Stronger BC: Future Ready Action Plan", released in May 2023 to guide investments in
   post-secondary education and training. PSFS received Treasury Board approval (as part
   of Budget 2022) for funding of 20 additional seats at the Western College of Veterinary
   Medicine (WCVM) on behalf of the Ministry of Agriculture and Food (AF).
- In April 2022, the Province announced the doubling of funded spaces for B.C. students starting at WCVM in September 2023. In March 2023, a permanent increase in this funding was announced, doubling the number of funded seats from 20 to 40 each year.
- Staff from the Office of the Chief Veterinarian (OCV) of AF are members of the WCVM Advisory Committee and participate in its fall advisory meetings.
- Starting in fall 2023, there was an agriculture-focused admission stream for 15 percent of B.C. seats at the WCVM, for students with a demonstrated interest in a career in rural mixed animal practice.
- Extra seats are only part of the overall strategy to reduce veterinary shortages. With a
  continuous lens on the issue, AF hosts a monthly meeting with key partners (i.e., PSFS,
  CVBC, CVMA/SBCV etc.) to devise additional solutions to address the multi-scale nature
  of the veterinary workforce issue.

#### **BACKGROUND:**

- In 2019, CVMA-SBCV undertook a labor market study through the Sector Labor Market Partnerships Program (SLMP) administered by the PSFS to determine the extent of the problem. The labor market study revealed a shortfall of approximately 100 veterinarians in B.C. This shortage is particularly acute for large animal veterinarians and in rural areas. Echoing these findings, the BC Cattlemen's Association conducted a study in March 2023 focusing on veterinary service access in northern B.C. This study confirmed significant shortages in large animal veterinary services, which have substantial economic and animal welfare implications in the agricultural sector.
- The top recommendation from the SLMP report was to secure 20 additional seats at WCVM, expanding on B.C.'s current allotment of 20 seats, with increased equity seats for qualified Indigenous B.C. students.

- Alberta had vacated their 20 seats at WCVM after opening their own veterinary college in Calgary (at a cost of \$400 million). This meant that 20 seats were available for occupation; other provinces had indicated that they did not have funding to capitalize on the opportunity.
- AF is responsible for the regulation of veterinary medicine in the province, including vet technicians, and for the agricultural sector. PSFS supports by facilitating the provision of related post-secondary education, including funding for WCVM. In April 2022, funding for seats for B.C. students at WCVM increased from 20 to 40.
- The Ministry of Municipal Affairs (MUNI) added veterinarians as a priority occupation under the Career Paths for Skilled Immigrants Program effective April 1, 2022. This program provides services to help immigrants find skilled employment in B.C. that uses the education and experience they bring to Canada.
- CVBC and CVMA-SBCV have also recently undertaken other recommendations in the labor market study such as facilitating the recognition of foreign credentials and reviewing bylaws for certified veterinary technicians.
- AF has also successfully worked with MUNI to add veterinarians and animal health technologists to the list of priority occupations under B.C.'s Provincial Nominee Program as of March 2022. The program enables the Province to select and nominate foreign workers, international students, and entrepreneurs to help meet B.C.'s labor market needs, support government priorities, and help grow B.C.'s economy.

## **CROSS JURISDICTIONAL COMPARISON:**

Please see Appendix A for details.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

Please see Appendix B for details.

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## **Appendix A: Cross Jurisdictional Comparison of Veterinary Seats**

- The following outlines the number of veterinary seats for a select number of provinces:
  - B.C. currently has 40 seats at WCVM.
  - Saskatchewan has 25 seats.
  - · Manitoba has 20 seats; and,
  - Alberta has 50 seats at their new college.

## Appendix B: Funding for B.C. Veterinary Seats at WCVM

- The following outlines funding for B.C. veterinary seats at WCVM:
  - For 2023/24, the invoice for funding WCVM seats stands at \$14.3 million; this
    includes seats outlined in the current interprovincial agreement (20 seats) as well as
    the increased seats for the first two years (40 seats in Year 1 and 2, 20 seats in Year
    3 and 4).
  - The 2024/25 invoice was \$15.9 million; it includes the seats in the current interprovincial agreement (20 seats) and the increase for the first three years (40 seats in Year 1, 2 and 3, 20 seats in Year 4).
  - PSFS's budget includes provision for admitting 40 B.C. students annually. The first cohort of 40 seats (the current allotment of 20 plus the increased intake of 20) began in September 2022. The first full cohort of 40 vets will graduate in 2026 (see table below).
  - B.C.'s total annual investment in the WCVM from 2025/26 and onwards would be approximately \$17.6 million for 40 seats; Memorandum of Understandings are renegotiated every five years (most recently negotiated effective May 2020 for the term 2020/21 to 2024/25).
  - The five-year interprovincial agreement ends April 30, 2025, and the three provinces (B.C., Saskatchewan, Manitoba) are finalizing a new five-year agreement to be in place May 1, 2025.

#### Table for BC Student Cohort Allotment at WCVM

2022/23				100000000000000000000000000000000000000
Year 1 Students	Year 2 Students	Year 3 Students	Year 4 Students	<b>Total Students</b>
40	20	20	20	100
2023/24				
Year 1 Students				
40	40	20	20	120
2024/25				
Year 1 Students				7
40	40	40	20	140
2025/26				
40	40	40	40	160

## One Health

#### **RECOMMENDED RESPONSE:**

- The British Columbia (B.C.) Ministry of Agriculture and Food (AF) continues to support
  and invest in One Health initiatives in the province. With significant leadership from AF,
  B.C. is recognized as a national leader in One Health strategy, systems, and operations.
  This capacity enables a rapid and coordinated response to situations such as the recent
  case of H5N1, which caused serious illness in a B.C. resident diagnosed on a Friday
  afternoon of a long weekend.
- The One Health approach maximizes the efficiency and efficacy of responses to current and emerging issues affecting the health of animals, humans, and the environment (e.g., climate change, infectious diseases, animal welfare, food safety, etc.).

#### **BACKGROUND:**

- One Health is a collaborative approach to improving the health of animals, people, and the environment. It was developed in recognition of the fact that siloed approaches to multisectoral issues – particularly issues with drivers and impacts that span animal, human, and environmental health – can only be meaningfully addressed with an integrated, multidisciplinary approach.
- AF and the Province have a strong record of embracing the One Health approach over the last two decades.
- AF's One Health work areas include antimicrobial use and resistance, food safety, and zoonotic disease surveillance and management.
- AF's current One Health initiatives include:
  - Development of the B.C. Inter-Ministerial and Agency Collaborative One Health Strategy: An integrated approach involving multiple Ministries, including AF, Water, Land, and Resource Stewardship (WLRS), Health (HLTH), and Environment and Parks (ENV), as well as agencies such as the Office of the Provincial Health Officer (OPHO) and the BC Centre for Disease Control (BCCDC). This approach enables collaborative innovation and response and is rooted in and congruent with Indigenous knowledge and perspectives.
  - The One Health Centre for Pathogen Genomics: A partnership with the BCCDC to develop and implement novel genomics technologies and data analysis/sharing platforms to monitor and mitigate risks associated with infectious diseases affecting animals and people (e.g., avian influenza, COVID-19, Salmonella spp.).
  - The B.C. Reportable Animal Zoonoses Program: A reciprocal agreement and documented communication pathway between the Office of the Chief Veterinarian (OCV) and the OPHO to share case reports of zoonotic diseases (diseases transmissible from animals to people) with immediate significance to public and animal health.

- The Annual One Health and Zoonoses Symposium: Co-led by AF, HLTH, and WLRS, this symposium educates approximately 150 individuals annually on hot topics in One Health. Attendees include professionals from B.C., Washington State, and beyond, working in areas influenced by One Health (e.g., environmental health officers, laboratory staff, public health nurses, physicians, and veterinarians).
- B.C. Integrated Surveillance of Foodborne Pathogens: A collaboration between AF, BCCDC, and the Public Health Agency of Canada (PHAC), this program aims to develop and implement policies and programs to reduce the burden of human disease caused by animal-related foodborne pathogens.
- Engagement with the Pan-Canadian Action Plan on Antimicrobial Resistance: Conducted in partnership with HLTH and WLRS.
- Collaborative research with diverse partners in the human and environmental health sectors with a special focus on avian influenza prevention and control.

## **CROSS JURISDICTIONAL COMPARISON:**

- One Health is a priority area for international health agencies, including the World Health Organization (WHO) and the World Organization for Animal Health (WOAH).
  - The WHO has publicly called on world leaders to increase political commitment and action to invest in the "One Health" approach to prevent and tackle common threats affecting the health and well-being of humans, animals, plants, and the environment together.
  - The WOAH Director-General has called upon member nations, including Canada, to invest in One Health solutions to animal health issues, stating that the One Health approach is critical to "enhance global preparedness and tackle the root causes of health crises."
  - Alberta, Saskatchewan, Manitoba, Ontario, and Quebec ministries each have a Public Health or One Health Veterinarian.
  - PHAC has a zoonosis and One Health department with approximately five staff members.
  - The Canadian Food Inspection Agency supports One Health through the OCV, Community for Emerging and Zoonotic Diseases, and Food Safety.
  - One Health education programs are in place at University of Calgary, University of Guelph, and Western University.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- The Chief Veterinarian attends national Council of Chief Veterinary Officers meetings, where One Health is a key area of focus.
- AF staff co-lead and attend the B.C. Annual One Health and Zoonoses Symposium.
- In 2025, AF staff were awarded \$1.3M by Genome British Columbia and the Canadian Institutes of Health Research to develop innovative, One Health-based solutions for Avian Influenza.
- In 2024, AF invested in the following One Health initiatives, each having a direct benefit

## ESTIMATE NOTE- FISCAL 2025/26 Ministry of Agriculture and Food

Confidential Advice to Minister

#### to B.C. animal producers:

- o Development of a B.C. Inter-Ministerial and Agency Collaborative One Health Strategy (approximately \$30,000 in S-CAP funding).
- o The One Health Centre for Pathogen Genomics (approximately \$540,000 in S-CAP funding); and
- o Implementation of a One Health data-sharing and analysis platform in collaboration with BCCDC (approximately \$150,000).

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### **One Welfare**

#### RECOMMENDED RESPONSE:

- "One Welfare," as defined by Animal Health Canada (AHC), emphasizes the
  interconnectedness of human welfare, animal welfare, and environmental integrity. It
  calls for coordinated actions to improve human welfare to enhance animal welfare, and
  vice versa, with a strong emphasis on environmental protection as foundational for
  both.
- The challenges posed by the COVID-19 pandemic, avian flu outbreaks, as well as climate change and natural disasters like wildfires in British Columbia (B.C.), have underscored the need for a One Welfare strategic approach to address the overlapping issues of farmer mental health and animal welfare.
- Launched in June 2023, the Agriculture and Food Workforce Development Initiative, funded by the Ministry of Social Development and Poverty Reduction and delivered by the Investment Agriculture Foundation of B.C., supports B.C's agriculture sector by enhancing mental health services. AgSafe BC was the first organization supported under the new program to receive a \$755,000 grant for AgSafe's expansion of their mental health services to the B.C. agriculture community.
- The Ministry of Agriculture and Food (AF) offers various programs, tools and resources, to enhance resiliency and support proactive business management practices, that, in turn, reduce stress, strengthen farm teams and support positive mental health among farmers.
- In January 2024, the Farmed Animal Welfare Advisory Committee delivered recommendations to the Deputy Minister, with one of the recommendations advising that AF implement a One Welfare approach to farmed animal welfare

#### **BACKGROUND:**

- AHC identified a need for increased awareness and advocacy for the improvement of
  the well-being and mental health resources for producers, farm staff, service providers,
  and veterinary personnel within the agricultural industry and explored the concept of a
  national program that would focus on prevention, building resilience, and responding
  not only to the impact of daily stressors on the farm but also to critical incidents such as
  disease outbreaks and disaster.
- In 2020, AF put Canadian Agricultural Partnership (CAP) funding towards a shared cost agreement with AgSafe to study available programs and support for Farmer Mental Health and Welfare. The project objectives included:
  - o Reviewing existing programs and comparing their differences and similarities,
  - Analyzing unique characteristics of agriculture in B.C. to help inform which mental health models would work best for primary producers in B.C.; and,
  - Having a structured training, delivery, and evaluation module to understand and support the mental health needs of B.C. producers.

- In 2023, AgSafe, in partnership with the Canadian Mental Health Association (CMHA) of B.C., organized free virtual Mental Wellness Debrief Sessions for Producers, as part of the AgLife initiative, to cultivate mental wellness in agriculture (see Appendix A).
- In June 2023, the Agriculture and Food Workforce Development Initiative (the Initiative)
  was announced to support B.C.'s agriculture and food industry in recruiting and
  retaining the workers who will help provide a stable food supply for a growing
  population in B.C. and around the world.
- AgSafe support under the Initiative:
  - received \$755,000 to enhance mental health services in the B.C. agriculture sector; as well as an additional \$100,000 from AF in March 2024 to further one-on-one farmer supports,
  - provides free, confidential one-on-one counselling with practitioners knowledgeable in agriculture,
  - developed the AgLife Network, a suicide prevention and life promotion initiative with the CMHA of B.C. for suicide prevention. Awareness training of the AgLife Network was provided to those in the Ministry who are in regular contact with primary producers,
  - organizes virtual Mental Wellness Debrief Sessions for agricultural producers; and,
  - offers resources like self-check-in sheets, distress info, and partnerships with the Do More Agriculture Foundation and the Canadian Centre for Agricultural Wellbeing.
- AF participates with Farm Management Canada's national farm risk management education programs, offering workshops, strategic risk management training, and access to the AgriShield platform for comprehensive farm risk assessment and mitigation.

## **CROSS JURISDICTIONAL COMPARISON:**

 There are now several One Welfare initiatives in Canada including a Western College of Veterinary Medicine partnership to provide <u>social worker services</u> to students and clients of the teaching hospital and farm services and the <u>University of Guelph</u> <u>Community Healthcare Partnership Program</u>, where veterinarians, registered veterinary technicians, and student veterinarians partner with community organizations to remove barriers to healthcare for companion animals in underresourced and vulnerable communities.

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

- Due to B.C. floods in 2021, approximately \$1.1 million was invoiced for animal relocation costs. This included providing safe housing for displaced animals on "buddy" farms, transportation to those farms and the cost of feed; and did not include other costs to farm businesses like animal mortality.
- AF funding agreement with AgSafe for \$64,500 in 2022/23 to implement a pilot project to assess an approach to deliver mental health services to the agriculture sector (see Appendix A).

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#### Appendix A

- AF agreement with AgSafe totaling \$64,500.
- Term: February 15, 2022, to March 31, 2023.
- Purpose: This Project supported farmers and families impacted by environmental events such as flooding, drought, and wildfires and/or cumulative events such as COVID-19, too:
  - Provide individual or group counselling services with an 'agriculturally aware' registered clinical counsellor (in person and/or virtual),
  - Develop and deliver mental health and wellness information sessions, training, and resources.
- The project was a pilot and serves as an opportunity to assess an approach to the delivery of mental health supports to the agriculture sector.
- The success of the project led to AF's support/recommendation of AgSafe's funding under the Agriculture and Food Workforce Development Initiative.(proposed activities below)

## Improving Agricultural Mental Health in BC April 1, 2023 – March 31, 2026

Activity	Details	Estimate
Mental Health Awareness	Adapt the successful Sentinel program run in Quebec, which trains agricultural community service providers to monitor mental health and intervene where necessary. Include a peer network of BC farmers and farm families with the same skills. Support with clinical counselling.	\$300,000
Farmer Outreach and Care	Provide one-on-one counselling in-person, virtually or by phone to agriculture producers, workers and their families as requested.	\$200,000
Digital Resources and Marketing	Adapt existing mental health awareness programs to develop online training modules specific to the needs of the agricultural community.	\$200,000
Distress Line Training	Develop asynchronous agriculture-specific training for current distress line operators, including some commodity-specific content.	\$25,000
Mental Health Resilience	Promote use of Avail app across all of agriculture in BC. This app provides opportunities to self-assess current	
Total cost		\$755,000

# Prevention of Cruelty to Animals Act (PCAA) Amendments/Animal Activism and Animal Welfare

#### RECOMMENDED RESPONSE:

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

#### **BACKGROUND:**

#### Animal Welfare:

- The Ministry of Agriculture and Food (AF) has been facing increased public pressure to enhance animal welfare for farm animals.
- In January 2022, over 200 beef cattle were seized by the BC SPCA from a farm on Vancouver Island and the BC SPCA initiated an animal cruelty investigation of this farm.
- In January 2023, 129 cows were seized by the BC SPCA from a farm in Cawston, B.C., and the BC SPCA initiated an animal cruelty investigation of this farm.
- These incidents have renewed calls for greater oversight of farmed animal welfare.
- In 2022, BC SPCA concluded a pilot project to proactively inspect ten farms to determine industry response to the BC SPCA's inspection powers under the PCAA.
- BC SPCA advised that it does not have the capacity to inspect a broader number of farms to proactively ensure animal welfare. The Government does not provide BC SPCA with operational funding; BC SPCA relies on public donations to undertake its responsibilities under the PCAA.
- From 2022-2024, AF undertook a project to assess B.C.'s farmed animal welfare framework and the recommendations resulting from that process are currently undergoing review by AF staff (see Estimate Note 'Farmed Animal Welfare

Framework Review Project - CPPB').

#### Animal Activism:

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

## **CROSS JURISDICTIONAL COMPARISON:**

- Since 2019, Ontario, Alberta, Saskatchewan, and Manitoba have all made legislative changes in response to extreme animal activism.
- Common legislative requirements among these provincial changes include:
  - Police empowerment to enforce,
  - Increased trespass fines,
    - Alberta: For individuals, a maximum fine of \$10,000 for the first offence and \$25,000 for subsequent offences. Corporations can face a maximum fine of \$200,000.
    - Saskatchewan: For individuals, a maximum fine of \$5,000 for a first offence and \$25,000 for subsequent offences. Corporations can face a maximum fine of \$200,000.
    - Ontario: maximum fine of \$15,000 for a first offence, \$25,000 for subsequent offences.
  - Enhanced protection of farmed animals,
  - Prevention against disruption of and/or interference with farmed animal supply;
     and,
  - Fines and cost recovery mechanisms related to property damage and disease transmission.
- However, parts of Ontario's legislative measures in response to extreme animal activism (specifically, certain sections of the Security from Trespass and Protecting Food Safety Act)

were struck down in an April 2, 2024, decision by the Ontario Superior Court of Justice on the basis that the provisions represented unjustifiable infringements of Freedom of Expression under the Canadian Charter of Rights and Freedoms. The province of Ontario has since appealed this decision.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

 See Estimate Note – Farmed Animal Welfare Review for potential costs associated with changes to the PCAA proposed in a 2024 Recommendations Report on Farmed Animal Welfare.

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## **BCFIRB APPEALS AND COMPLAINTS OVERVIEW**

#### **RECOMMENDED RESPONSE:**

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

#### **BACKGROUND:**

- Under its statutory mandates, BCFIRB hears the following appeals and complaints:
  - Natural Products Marketing (BC) Act (NPMA): Appeals of regulated marketing board and commission orders and decisions.
  - Farm Practices Protection (Right to Farm) Act (FPPA): Complaints about farm practices from people disturbed by odour, noise, dust or other disturbances arising from agriculture or aquaculture farm businesses conducting one or more farm operations.
  - Protection of Cruelty to Animals Act (PCAA): Appeals of animal seizures and cost decisions of the BC Society for the Prevention of Cruelty to Animals (BCSPCA).
- BCFIRB is accountable to the courts for its decisions (BCFIRB decisions are subject to Judicial Review) and the Ombudsperson for its practices and procedures.
- BCFIRB must follow the principles of natural justice, administrative law and due process in proceedings set out in BCFIRB's rules of practice and procedure.
- BCFIRB supports the resolution of cases through Alternative Dispute Resolution which seeks to bring parties together to settle disputes without the need for hearing.
- For 2024/25, as of December 31, 2024, BCFIRB has administered 45 cases. Of these, 18 have been resolved – 7 through a hearing, and 11 resolved through settlement, withdrawal or dismissal.
- There were four active Judicial Reviews of BCFIRB decisions in 2024/25, with one newly filed, and five remaining active as of December 31, 2023.

## **CROSS JURISDICTIONAL COMPARISON:**

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

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

#### ESTIMATE NOTE- FISCAL 2025/26

## Ministry of Agriculture and Food

Confidential Advice to Minister

- Case costs are subject to the number of parties and legal complexities.
- While there is considerable variability from case to case, approximate average costs are
  estimated up to \$40,000 for an NPMA or FPPA case involving a one-to-two-day hearing
  with a three-member panel. Costs can range considerably higher for hearings that span
  three to five days or more. For PCAA cases, the average cost is about \$13,000 per case
  for a one-day teleconference hearing with a one-to-two-member panel and increases
  with more hearing days and more panel members.
- Costs for Judicial Reviews typically start at \$10,000-15,000 but can rise quickly and significantly above this amount (e.g., \$50-100,000 or more) depending on legal complexities and level of BCFIRB representation required at the BC Supreme Court, or in appeals of Judicial Review decisions before the BC Court of Appeals.

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# BC MILK MARKETING BOARD and WESTERN MILK POOL TRANSFORMATION INITIATIVE

#### **RECOMMENDED RESPONSE:**

- The British Columbia Farm Industry Review Board (BCFIRB) is the provincial supervisory body for the BC Milk Marketing Board (BCMMB).
- In 2024, BCFIRB provided direction under its supervisory authority to BCMMB on the Western Milk Pool Transformation Initiative (WMPTI), that the WMPTI as proposed was outside BCMMB's legislative authority.
- In 2024, BCFIRB also directed, under its supervisory authority, that BCMMB cease funding Dairy Innovation West (DIW) as per previous BCFIRB direction in 2020 that a BCMMB ownership/operating role in DIW was outside BCMMB's legislative authority.
- BCMMB has indicated to BCFIRB that it will be seeking BCFIRB approval to enter into a new Western Milk Pool Agreement (Agreement) in 2025.
- Under B.C.'s legislative scheme, BCMMB requires the separate approval of both BCFIRB and the Minister of Agriculture and Food to enter into the Agreement.
- In 2025, BCMMB began conducting its statutorily prescribed review of the appropriateness and adequacy of its powers and duties. BCMMB's engagement plan includes consultation with the Milk Industry Advisory Committee, B.C. milk producers and processors, BCFIRB, and the Ministry of Agriculture and Food.

#### **BACKGROUND:**

- Per its authority under the Natural Products Marketing (BC) Act (NPMA) and the BC Milk Marketing Board Regulation, the BCMMB is the provincial regulator of the production, transportation, packing, storing and marketing milk, fluid milk and manufactured milk products within BC.
- BCFIRB is the independent provincial body that supervises BCMMB and ensures BCMMB decisions, for example on pricing and quota, fulfill sound marketing policy in the public interest, per the legislative framework.
- BCFIRB also has a prior approval role under the BC Milk Marketing Board Regulation for any federal agreements that BCMMB seeks to enter into/is signatory to.
- BCFIRB is also the administrative tribunal that hears appeals of BCMMB decisions, for example, if a milk producer felt unfairly impacted by a BCMMB decision.
- The dairy industry in B.C. is also supported by its advocacy agency and industry association, the BC Dairy Association (BCDA).

#### Western Milk Pool Agreement & Westen Milk Pool Transformation Initiative

 The Western Milk Pool (WMP) was established in March 1997 and is an agreement between the milk boards of the four western provinces (Manitoba, Saskatchewan, Alberta, and B.C.) and the Canadian Dairy Commission (CDC) to enable the sharing of returns and markets for all milk classes and to manage the financial risks associated with the trends in domestic markets.

- In Fall 2022, the WMP agreed in-principle to a new partnership, known as the Westen Milk Pool Transformation Initiative (WMPTI), that would see areas of common concern addressed through a new WMP agreement. The WMPTI aimed to centralize decisionmaking under the WMP and create a new governance model, allowing for better coordination, cooperation, and efficiencies between the western dairy organizations.
- In Spring 2023, in its supervisory role, BCFIRB began correspondence with BCMMB on the WMP Agreement and WMPTI, seeking information to determine if BCMMB was acting within its authority under the NPMA and making sound marketing policy decisions for BC in relation to the WMPTI.
- In Fall 2023, BCMMB provided documents to BCFIRB for review and consideration on the WMPTI. These documents included a draft proposed WMP Agreement and three Memoranda of Understanding (MOUs).
- In Spring 2024, BCFIRB, under its supervisory authority, wrote to BCMMB that some of
  the WMPTI actions to date and the proposed documents shared for review were not
  consistent with BCMMB's legislative authority. BCFIRB directed BCMMB to not enter
  into a proposed MOU with the BCDA, to clarify what steps had been taken to date to
  share or integrate resources with the BCDA, and to not take further WMPTI
  implementation steps until further information was provided to BCFIRB.
- In Summer 2024, following a meeting between BCMMB and BCFIRB representatives, BCMMB confirmed the WMP was reconsidering the WMPTI due to provincial supervisor feedback (from both BC and Alberta), and that moving forward, the WMP will focus on a WMP collaboration model. BCMMB indicated further details on a WMP collaboration model and the new WMP Agreement would be provided to BCFIRB for review and to determine if it is consistent with BCMMB's legislative authority.

#### **Dairy Innovation West**

- Dairy Innovation West (DIW) is a dairy concentration facility located in central Alberta
  and announced in 2019 by the WMP. The purpose of DIW is to increase milk processing
  capacity, which in turn is intended to support quota growth and increase producer
  revenue. DIW removes water from fluid milk being sent for further processing (i.e.,
  cheese, yogurt, etc.), which reduces the volume of products being shipped and in turn
  provides transportation savings due to less trucks being required overall.
- BCMMB began sharing DIW proposals with BCFIRB and the Ministry of Agriculture and Food in 2019 which had BCMMB in a direct ownership role and/or operating role.
- In Spring 2020, BCFIRB wrote to BCMMB confirming, upon review of the DIW proposals provided, that BCMMB could not have an ownership and/or operating role in DIW, as this was not permitted under the current legislative framework. BCFIRB's letter also directed BCMMB to confirm that no further funds (e.g., producer levies or fees, or surplus levy funds derived from reduced transportation costs) collected by BCMMB under its legislative authority would be invested in DIW. BCFIRB also asked BCMMB to keep BCFIRB apprised of any role BCMMB intended to play in DIW moving forward.
- In Spring 2024, BCFIRB wrote to BCMMB after learning that BCMMB had agreed to cover operational costs for the pre-commencement phase of DIW. BCFIRB requested

BCMMB provide a full accounting of all funds expended on DIW to date. BCMMB provided BCFIRB with a DIW cost sharing agreement and outlined that two prepayments were made by BCMMB producer deduction on DIW in Winter 2023. BCFIRB then directed BCMMB to cease participating in all funding of DIW, and to confirm the information provided by BCMMB represents the accounting of all funds expended in the pre-operational phase of the DIW facility.

- In Summer 2024, BCMMB confirmed it had ceased funding to DIW and that the two
  prepayments of \$310,331.45 represented a full accounting of BCMMB expenditures on
  DIW to date. BCFIRB directed BCMMB to recover the prepayments made and return the
  funds to the BC producer pool. BCMMB confirmed in writing to BCFIRB in July 2024 that
  the prepayments would be returned to the producer pool.
- In Fall 2024, BCMMB confirmed with BCFIRB and Ministry staff that a new draft Service Agreement for DIW would be sent to BCFIRB and the Ministry for review and consideration.

#### Powers & Duties Review

- Under Section 9 of the BC Milk Marketing Board Regulation, BCMMB has an obligation to review the continued appropriateness and adequacy of its Section 7 Powers and Duties every 3 years, and to report its findings to BCFIRB.
- The last review concluded on August 18, 2022, and the next review is due by August 18, 2025. As per the legislation, BCMMB is required to consult with BCFIRB, the Ministry, and the Milk Industry Advisory Committee as part of this review process.

## **CROSS JURISDICTIONAL COMPARISON:**

 Prince Edward Island, Nova Scotia, New Brunswick, Quebec and Ontario have a similar agreement to the WMP under the Agreement on Eastern Canadian Milk Pooling (the P5 Agreement). Under the P5 Agreement, the provinces share revenues and costs for milk sales, transportation, marketing, and skim off. The P5 Agreement also provides for harmonization on provincial dairy policies regarding pricing, quota, and coordination.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

 BCFIRB has expended significant time and resources, particularly on legal services, to support supervisory activities and reviews of BCMMB initiatives in 2024/25. Costs are expected to continue in 2025/26 as BCMMB continues work on a new WMP Agreement and a planned new Service Agreement for DIW.

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## **BC VEGETABLE MARKETING COMMISSION**

#### RECOMMENDED RESPONSE:

#### Summary

- The BC Vegetable Marketing Commission (Commission) is the first instance regulator of certain vegetables grown in B.C.
- The Commission is currently continuing its engagement and consultation process in B.C.'s north regarding the expansion of regulation above the 53rd parallel.
- The Commission's members include growers of storage crops and greenhouse crops.
- The BC Greenhouse Growers' Association (BCGGA) is pursuing the potential creation of a separate commission solely for greenhouse vegetables.
- The creation of new agriculture regulated marketing commissions is at the discretion of Cabinet and requires the broad support of the commodity/sector.

#### **BACKGROUND:**

- The BC Vegetable Marketing Commission (Commission) is B.C.'s first instance regulator created and empowered under the *Natural Products Marketing (BC) Act* (NPMA) and the British Columbia Vegetable Scheme (Scheme).
- The Commission is responsible for the promotion, control and regulation of the production, transportation, packing, storage and marketing of a regulated product.
- The Commission has the authority to regulate B.C. storage<sup>1</sup>, processing<sup>2</sup> and greenhouse<sup>3</sup> crops in the regulated area.
- Producers market the majority of regulated vegetables through "designated agencies".
   These agencies are private sector businesses that are licensed and delegated certain powers by the Commission, for the efficient mass marketing of regulated vegetables, which are intended to maximize benefits to producers.
- The Commission currently consists of an OIC-appointed Chair, six elected members who are growers of Storage Crops or Greenhouse Crops, and two independent members (appointed by the Commission).
- B.C. vegetable producers face competition from low-priced, high-volume imports.
- BCFIRB ensures the Commission operates accountably and is also the tribunal that hears appeals of Commission decisions under the NPMA.

#### Regulated Area - Expansion to northern B.C.

 The Commission is vested with the power to promote, control, and regulate in any respect the production, transportation, packing, storage, and marketing of regulated product grown in British Columbia.

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

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

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

- The Commission's General Order, established by the Commission, previously restricted its authority to the southern half of B.C. (south of the 53rd parallel).
- On January 1, 2024, the Commission expanded the Commission's oversight of regulated vegetables to include the full province, due to considerations including climate change and anticipated changes in agricultural practices (e.g., vertical farming).
- Following this change, the Commission received numerous requests for clarification of its expansion of the geographical scope of regulated vegetables, and received concerns from various stakeholders.
- In June 2024, the Commission began a consultation process of reaching out to
  organizations to discuss the expanded geographical scope, which vegetable crops and
  farm operations will be regulated, and how they will be regulated by the Commission.
- The Commission is continuing the engagement and consultation process in the north.

#### BC Greenhouse Growers' Association

- The BC Greenhouse Growers' Association (BCGGA) represents greenhouse vegetable farmers in British Columbia. Its growers produce 96 percent of all of B.C.'s greenhouse vegetable production.
- The Commission uses some of its producer levies to fund BCGGA to ensure the promotion of the greenhouse sector is supported by appropriate research grants and/or other funding by inviting interested people to apply for such grants or funding.
- On September 17, 2024, the Commission made the decision to suspend payments to BCGGA until it is satisfied that the funds are being used appropriately and not used to promote a new commission that would remove greenhouse vegetables from BCVMC's regulatory authority and have those vegetables regulated under a separate structure.
- BCGGA appealed the Commission's decision to BCFIRB on October 16, 2024.
- On December 13, 2024, BCGGA withdrew their appeal and BCFIRB issued a dismissal order on December 23, 2024.

## **CROSS JURISDICTIONAL COMPARISON:**

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

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

N/A

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## CHICKEN SECTOR PRICING

#### RECOMMENDED RESPONSE:

- Pricing tensions in B.C.'s chicken sector have been heightened in recent years due to B.C.'s high cost of production (feed and chicks), especially when compared with Ontario's competitive price position (access to less expensive feed, etc.) and high volume of production.
- In 2024, BCFIRB completed a supervisory review process that began in April 2020 and involved the BC Chicken Marketing Board (Chicken Board) and BC Hatching Egg Commission (Commission).
- The overall goal of the supervisory review was a long-term B.C. chicken sector pricing strategy that balances the costs and interests of all stakeholders and is adaptive, resilient and sustainable.
- In June 2022, the Commission began a graduated implementation of its BCFIRB approved cost of production-based pricing formula for fertilized eggs and chicks. The Commission completed this graduated implementation in Spring 2024.
- In May 2024, the Chicken Board began a graduated implementation of its BCFIRB approved cost of production-based pricing formula for chicken. The Chicken Board will complete this graduated implementation in Spring 2025.

#### BACKGROUND:

- Under B.C.'s legislative framework, the Commission sets the price a hatching egg
  producer receives for chicks, and the price chicken growers pay the hatcheries for the
  chicks. The Chicken Board sets the price growers are paid for each chicken.
- If an affected party disagrees with the prices set by the Chicken Board and/or the Commission, the party can appeal to BCFIRB. BCFIRB, in turn, can hear the appeal and/or address market or pricing concerns through its supervisory policy role.
- Exceptionally high feed costs in B.C. compared with Ontario create tensions between
  producer costs and processor competitiveness in a national market. In general, as the
  price of feed increases, either producers are paid less than their production cost, or
  processors become less competitive in the national market.

#### Supervisory Review

- In March 2020, BCFIRB established a Chicken Sector Pricing Supervisory Review to address the Commission's notice to exit a price linkage agreement with the Chicken Board. In April 2020, the development of a long-term chicken pricing formula was added to the Supervisory Review.
- On June 3, 2022, BCFIRB approved the Commission's long-term pricing formula, which the Commission implemented in fall 2022.
- On May 22, 2024, BCFIRB approved the Chicken Board's long-term pricing formula, which the Chicken Board began implementing in summer 2024.

#### ESTIMATE NOTE- FISCAL 2025/26

## Ministry of Agriculture and Food

Confidential Advice to Minister

- Since 2019, the Primary Poultry Processors Association of BC (PPPABC) and the BC Chicken Growers Association have filed multiple appeals with BCFIRB in relation to chicken pricing. These appeals were deferred pending the outcome of the Review.
- On July 22, 2024, PPPABC filed a petition for judicial review of BCFIRB's May 22, 2024
   Decision on the Chicken Board's long-term pricing formula. That application has not yet been heard.

## **CROSS JURISDICTIONAL COMPARISON:**

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

- BCFIRB has expended significant time and resources on this file, including legal services and direct costs for consulting expertise to assist both boards.
- There are significant legal costs associated with the ongoing judicial review of BCFIRB's May 2024 decision. Costs are expected to continue in 2025/26.

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## BC FIRB, SUPPLY MANAGEMENT AND FEDERAL-PROVINCIAL AGREEMENTS

#### **RECOMMENDED RESPONSE:**

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

#### **BACKGROUND:**

- BCFIRB, the Minister and the four B.C. poultry commodity boards are all signatories to the poultry FPTAs. Other signatories include the federal Minister, national agencies (e.g., Chicken Farmers of Canada), Farm Products Council of Canada, and other provincial ministers, supervisory agencies, and commodity boards.
- The BC Milk Marketing Board (BCMMB) is the only B.C. signatory to the federal-provincial
  agreement for the dairy industry, which is called the National Milk Marketing Agreement;
  BCFIRB and the Minister are not signatories. However, BCFIRB approval is required under
  Section 7(2)(c) of the BC Milk Marketing Board Regulation, before the BCMMB may enter
  into federal or inter-provincial agreements.

#### FPA on Guiding Principles for the Marketing of Eggs

 In November 2024, an updated Egg FPTA was signed by all parties, concluding a process that began in 2016. For B.C., staff from BCFIRB, the Ministry, and the BC Egg Marketing Board, engaged provincially and nationally to review the draft Egg FPTA on behalf of their respective B.C. signatory bodies.

#### FPA on the Sharing of Milk Revenues and Costs (P10)

 A draft P10 agreement was presented to BCFIRB and Ministry staff for review in 2024, with the BC Milk Marketing Board (BCMMB) engaging nationally on this agreement. The BCMMB anticipates the signature phase to begin in 2025 and is seeking BCFIRB's and the Ministry's initial position on the draft agreement.

 Staff of BCFIRB, the Ministry and the BCMMB have discussed being direct signatories on the P10 due to the requirement for BCFIRB and Minister prior approval under Section 7(2)(c) of the BC Milk Marketing Board Regulation.

#### **Chicken Operating Agreement**

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

## **CROSS JURISDICTIONAL COMPARISON:**

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

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

 BCFIRB spending on legal services to review BCFIRB participation in FPTAs is regular but not significant.

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# BCFIRB GOVERNANCE OF BC'S REGULATED MARKETING SECTOR

#### **RECOMMENDED RESPONSE:**

- BCFIRB is required to annually report to the Minister on its service and strategic objectives. BCFIRB's 2023-24 annual report was released in December 2024 and its 2024-2027 Strategic Plan was released in January 2024.
- BCFIRB has published six Summary Reports on its Public Accountability and Reporting Program (PARP) since 2018. A seventh report is expected to be published in the fall of 2025.
- BCFIRB's PARP provides the agri-food industry, government, the regulated agriculture boards and commissions (commodity boards'), and the public with a deeper understanding of the current state of each regulated agriculture sector in B.C.
- PARP Summary Reports measures and demonstrates the good governance practices of the commodity boards and provides a comprehensive, objective, evidence-based picture of how each sector is evolving in B.C.

#### **BACKGROUND:**

- The use of appropriate governance and fiscal procedures demonstrates accountability for legislative authorities and supports good agriculture industry outcomes.
- BCFIRB is accountable to the Ministry of Agriculture and Food for its budget, to the courts for its decisions, and to the B.C. Ombudsperson for its practices and procedures.
- The BCFIRB Chair, Vice Chair, and members, along with the eight commodity board Chairs, and two members of the BC Chicken Marketing Board, are appointed by Order in Council (B.C.'s Lieutenant Governor in Council).
- B.C.'s Crown Agencies and Board Resourcing Office (CABRO) sets merit-based appointment and reappointment guidelines for OIC appointments and works closely with BCFIRB and the Ministry in determining qualified candidates for recommendations in the appointment/reappointment process. Position descriptions assist the assessment process for determining qualified candidates.
- Candidates apply through CABRO. For commodity board Chair and BCFIRB Vice Chair and member appointments, the BCFIRB Chair recommends candidates to CABRO. CABRO performs due diligence checks before briefing the Minister of Agriculture and Food. The Minister may then consult with industry stakeholders and/or the BCFIRB Chair before delivering a final recommendation to CABRO. CABRO then prepares the OIC package for the Ministry of Agriculture and Food to submit to the Cabinet.
- In 2024/25, the commodity boards have demonstrated they are following regulatory requirements, using sound decision making practices, and are using a full suite of good governance tools.

• BCFIRB continues to use a user experience survey that was first implemented in June 2017, focusing on staff response times, transparency and BCFIRB's website.

## **CROSS JURISDICTIONAL COMPARISON:**

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

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

N/A

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## NEW ENTRANT OVERVIEW IN SUPPLY MANAGED AND REGULATED SECTORS

#### **RECOMMENDED RESPONSE:**

- Entry opportunities for new farmers are essential for the strength, viability, and credibility of all eight of B.C.'s regulated agriculture sectors, especially the five that are supply managed, as entry into those sectors is limited.
- All agriculture regulatory boards and commissions (commodity boards) in B.C. provide specialized entry opportunities for smaller-scale producers, for example, through license exemptions and low-volume permits.
- All of B.C.'s supply managed commodity boards operate New Entrant Programs (NEPs).
- NEPs provide quota at no cost to new farmers in the supply managed sectors, which
  encourage market and production innovation, support regional development and
  diversity, and bring new ideas and voices to the supply management system.
- Persons aggrieved by or dissatisfied with the process or outcome of a new entrant selection have the right to appeal the commodity board's decision to BCFIRB.
- BCFIRB continues to work with the supply managed boards to review and update their NEPs. In 2023, BCFIRB directed these boards to increase their annual reporting on NEPs by identifying long term goals by 2024 and performance metrics by 2025.

#### **BACKGROUND:**

#### **New Small-Scale Farmers**

- Small-scale production of poultry, hogs, cranberries and vegetables for personal consumption or farm gate sale are either exempt from commodity board rules or simply require a licence from the appropriate board.
- The BC Milk Marketing Board offers a quota for small-scale production-processing ventures at no cost.

#### **New Commercial Farm Entry**

- Commercial production in the non-supply managed regulated sectors (hogs, cranberries, vegetables) only requires a licence from the respective board.
- All supply managed boards (poultry and dairy) require quota and operate NEPs to select applicants through a published process and issue them quota at no cost.
- Basic NEP eligibility criteria established by BCFIRB require that prospective participants be BC residents, have not previously held quota, and are committed to farming.
- Commodity boards can use NEPs to help address regional and niche marketing demands. For example, the BC Egg Marketing Board prioritizes entry opportunities outside of the Lower Mainland, while the BC Turkey Marketing Board gives priority status to regional applicants and those interested in organic production.

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

- The BC Milk Marketing Board (MMB) operates a lottery-based NEP. It has invited approximately 32 new entrants over the last six years. In 2023, the MMB received 50 applications, and invited six successful candidates to begin milk production in 2024. It also received 17 applications for its organic NEP, added three to a waitlist, and invited one to begin production in 2024
- The BC Chicken Marketing Board (CMB) operates a lottery-based NEP with different lists for the Interior, the Lower Mainland, and Vancouver Island. The CMB is currently updating its program and has completed a three-month New Entrant Program public consultation. It has invited approximately 20 new entrants in the past six years, including the most recent five that started in 2023. The CMB is not accepting new applications at this time, as it is in the process of reviewing its NEP.
- The BC Egg Marketing Board (EMB) runs a lottery-based NEP, which was updated in June 2021. Approximately 16 new entrants have been invited into the sector over the past six years. In 2023, two eligible applications were received and will begin producing in 2024.
- The BC Broiler Hatching Egg Commission (BHEC) operates a waitlist-based NEP. Its last draw was in 2011. Since then, five have been invited from the list, four began production, and one declined. The BHEC suspended its NEP in 2021 to review the program. The review has been delayed by the heat dome, flooding, and Avian Influenza. The BHEC is committed to conducting the review in 2025.
- The BC Turkey Marketing Board (TMB) operates a waitlist-based NEP with priority given first to organic and then regional applicants. It has invited approximately 17 new entrants in the past six years. In 2023, the TMB invited four waitlisted applicants to begin production in 2024. The TMB is working with applicants to assemble business plans, and once complete will assess/review the applications. One producer was invited to begin production in 2024. As of August 2023, the TMB is reviewing its program. The next application date will be announced once the review is complete.

## **CROSS JURISDICTIONAL COMPARISON:**

· Most provinces have NEPs for their supply managed milk, chicken, and egg sectors.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

Not applicable

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## RESPONSIBILITIES, PRACTICES AND PROCEDURES AS AN ADMINISTRATIVE TRIBUNAL

#### **RECOMMENDED RESPONSE:**

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

#### **BACKGROUND:**

- BCFIRB's statutorily mandated responsibilities are established in the Natural Products Marketing (BC) Act (NPMA), the Farm Practices Protection (Right to Farm) Act (FPPA), and the Prevention of Cruelty to Animals Act (PCAA) and are supported by the Administrative Tribunals Act. These responsibilities include:
  - Supervising B.C.'s regulated agriculture boards and commissions
  - Being a signatory to formal federal-provincial-territorial agreements under Canada's national-provincial supply management system
  - Hearing appeals of regulated marketing board and commission orders and decisions
  - Hearing appeals of animal seizure (custody) and cost decisions of the BC Society for the Prevention of Cruelty to Animals (BCSPCA)
  - Hearing farm practices complaints from persons disturbed by odour, noise, dust and other disturbances arising from the agriculture and aquaculture operations of farm businesses
  - Conducting farm practices studies
- B.C.'s regulated agriculture boards and commissions, supervised by BCFIRB:
  - BC Broiler Hatching Egg Commission
  - BC Chicken Marketing Board
  - BC Egg Marketing Board
  - BC Milk Marketing Board
  - BC Turkey Marketing Board
  - BC Hog Marketing Commission
  - BC Cranberry Marketing Commission
  - BC Vegetable Marketing Commission

#### ESTIMATE NOTE- FISCAL 2025/26

## Ministry of Agriculture and Food

Confidential Advice to Minister

- Members are appointed to BCFIRB by Cabinet.
- Established in 1934, BCFIRB is one of B.C.'s most senior tribunals, and one of the first tribunals in B.C. to use Alternate Dispute Resolution methods to improve its capacity and effectiveness (e.g., facilitated agreements and settlements).
- Tribunals need not follow court-like procedures, but can adopt practices and procedures, which must be administratively and procedurally fair, that enable them to resolve disputes.
- BCFIRB has published detailed policy and procedure documents that set out the process, steps, and timelines for filing and hearing appeals and complaints under its mandates, consistent with the Administrative Tribunals Act.
- Some BCFIRB mandates have established timelines for reaching a decision while others
  vary depending on the issue and characteristics of each case and can range from a few
  weeks to several months or longer in some instances.
- BCFIRB posts all decisions on its website and a listing of all active appeals and complaints. BCFIRB decisions can be appealed to the Supreme Court of BC for Judicial Review.
- Complaints about BCFIRB and its procedures can be investigated by the Ombudsperson.
- BCFIRB is required to annually report on service performance.
- While the government recognizes BCFIRB's independence as an administrative tribunal in executing its statutory mandates, BCFIRB is accountable to the Ministry for its budget and administrative mandate.

#### Animal Welfare

- Overarching responsibility for B.C.'s biosecurity and animal welfare legislation rests with the Ministry of Agriculture and Food.
- B.C.'s agricultural commodity boards have legislated authority to establish and enforce biosecurity and animal welfare standards. The boards have either made the relevant Codes of Practice mandatory for licensed producers or made national animal care programs, based on the National Farm Council Codes of Practice, mandatory for licensed producers.
- BCFIRB has legislated oversight and appeal responsibilities in relation to biosecurity and animal welfare in agriculture regulated marketing. BCFIRB is responsible for ensuring commodity boards establish and enforce standards to maintain orderly marketing.
- BCFIRB also hears appeals of BCSPCA animal seizures. The BCSPCA is B.C.'s enforcement agency for animal distress under the PCAA.

## **CROSS JURISDICTIONAL COMPARISON:**

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

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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## SUPPLY MANAGEMENT

#### RECOMMENDED RESPONSE:

- Supply management is a national regulatory system established by federal and provincial legislation and agreements. It is intended to help ensure a continuous and stable supply of domestic food and a fair return for efficient producers.
- The federal government, all provinces and the Northwest Territories participate in Canada's supply management system.
- In B.C., the agriculture supply managed sectors are table eggs, hatching eggs, chicken, turkey, and milk.
- Fiscal 2024-25 saw B.C. continue to recover from ongoing avian influenza outbreaks
  affecting the poultry sectors, and from environmental disasters that affected all supply
  managed sectors, but production has remained stable.
- From 2022-2023, production volume in B.C. increased slightly for chicken but declined slightly for hatching eggs, table eggs, and milk.
- There was little change in regional distribution of production.

#### **BACKGROUND:**

- Most countries provide some form of agricultural support or subsidies to protect against
  the 'boom and bust' economic cycles associated with agricultural markets. These cycles can
  result in destructive competition and a volatile food supply.
- Established in the 1970's, Canada's agriculture supply management system works through legislated production, and price and import controls – often referred to as the 'three pillars' of supply management.
- These controls require cooperation between federal, provincial, and territorial jurisdictions, achieved through Federal-Provincial-Territorial Agreements (FPTAs).
- B.C.'s supply-managed industries (broiler hatching eggs, chicken, dairy, eggs, turkey), make
  a significant contribution to B.C.'s agri-food sector, accounting for approximately 37% (\$1.8
  billion) of B.C.'s farm gate receipts, making these industries, including their processing and
  marketing sectors, a significant part of B.C.'s agriculture economy, creating jobs and supply
  chain benefits.

#### Advantages of supply management:

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

#### Disadvantages of supply management

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

## **CROSS JURISDICTIONAL COMPARISON:**

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

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

Total farm gate receipt for agricultural commodities in 2023 was \$4.88 billion. The supply-managed industries (broiler hatching eggs, chicken, dairy, eggs, turkey) account for \$1.8 billion or approximately 37% of B.C.'s farm gate receipts.

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## **BEEF - BRED HEIFER ASSOCIATION LOAN GUARANTEE** PROGRAM AND FEEDER ASSOCIATION LOAN GUARANTEE **PROGRAM**

#### RECOMMENDED RESPONSE:

- The B.C. Bred Heifer Association Loan Guarantee Program (BHALG) and the B.C. Feeder Association Loan Guarantee Program (FALG) support sector associations and rancher members to access capital to purchase livestock and expand their operations and increase investment in the industry.
- The programs enable beef sector associations to access preferential loan terms, which can be accessed by producers who wish to maintain or build up their herd inventory in anticipation of the continued increase in demand and high prices in the cattle market.
- Ministry staff work with the B.C. Breeder and Feeder Association (BCBFA) to ensure the Program is responsive to current economic realities and member needs. In 2024, BCBFA requested an increase in individual member loan limits in the Program as well as an increase in the guarantee allocated to two member associations. These changes were approved by the Treasury Board in the fall of 2024 and increased the individual member loan maximums from \$300,000 to \$500,000 for Bred Heifer loans, and from \$500,000 to \$750,000 for Feeder cattle loans.
- Ministry staff are currently working with a proposal from BCBFA and the Vancouver Island Cattleman's Association to establish a Feeder and Bred Heifer Association on Vancouver Island to access the loan guarantee programs.
- Since 1990, the Program has supported sector associations and members to purchase over 731,000 cattle for a total value of over \$401 million.

#### **BACKGROUND:**

- The BHALG and the FALG are based on seven regional producer owned cooperative associations established for the purpose of purchasing feeder and breeder cattle on behalf of association members.
- The Province guarantees 20 percent of loans for feeder cattle and 15 percent of the loans for bred heifers up to specified maximums.
- The Program allows member associations of the BCBFA to access preferential loan terms to purchase cattle on behalf of their producer members.
- Any change to agreements requires Treasury Board approval, amendments to the tripartite agreements, and revised commitment letters from affected banks, authorization of loan guarantee by the Minister of Finance and signatures to revised agreements by the Minister of Agriculture and Food, the bank, and the association. This process takes from three to six months.
- Since its inception, the Program has only had one call on the Guarantee. The South Peace Feeders Co-Operative became insolvent in 2017 due to a \$1.3 million in default

on loans for cattle held by a family group; 12 of the Co-Op's 38 contracts. Once the sales of remaining cattle were completed and the member deposits held by the Royal Bank of Canada are applied, the balance outstanding was \$910,502.80.

- The Ministry had a \$1.7 million provision for loan guarantees losses; therefore, the \$0.9 million payment from the Province to the Bank did not affect the Ministry's budget.
- The South Peace Feeders Co-Operative is currently in legal action against the family group to recover the outstanding balance. The Province has asserted its right of subrogation and due to the South Peace Co-Op being insolvent, is funding the legal action for the Co-Op.

## CROSS JURISDICTIONAL COMPARISON:

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

- In 2016, the Treasury Board increased the approved program cap for loan guarantees from \$9.75 million to \$15 million under the Loan Guarantee Program.
- Currently, the total outstanding government guarantees to all seven Co-Operatives are \$10.25 million, which allows the Co-Operatives to access up to \$61.5 million in loans from private sector lenders.
- In 2024, the Treasury Board approved an increase in individual member loan maximums from \$300,000 to \$500,000 for Bred Heifer loans, and from \$500,000 to \$750,000 for Feeder cattle loans, to reflect the recent increases in cattle prices.
- The Province does not incur actual cost unless an association defaults.

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## LIVESTOCK PROTECTION PROGRAM

#### RECOMMENDED RESPONSE:

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

#### **BACKGROUND:**

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

- LLP is consistent with the direction provided in the 2014 Management Plan for the Grey Wolf in B.C., which ensures that wolf populations are self-sustaining but recognizes that wolf attacks on cattle can be addressed in a timely manner.
- Under this program, trapping only takes place in the immediate vicinity of verified livestock losses or attacks due to wolves or coyotes.
- The number of mitigations has been decreasing steadily each year as problem animals are removed and producers are educated in best practices to prevent conflicts. When the program began over 200 wolves were being trapped per year whereas 2024/25 numbers are projected to be under 75
- LLP is jointly managed with WLRS, COS, AF and BCCA through an Oversight Committee.
   The Oversight Committee also has representations from the B.C. Trappers Association and the B.C. Sheep Federation.
- LLP provides opportunities for Indigenous people to work with trained wildlife specialists and/or become wildlife specialists in their territories.

### **CROSS JURISDICTIONAL COMPARISON:**

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

- Estimated Program expenditures for FY24/25 are \$300K.
- Estimated Program expenditures for FY25/26 are \$300K split respectively 60/40 between WLRS/AF.
- Ministry staff time of approx. 0.1 FTE is allocated to the Program.

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## PRESCRIBED AREAS

#### **RECOMMENDED RESPONSE:**

- The prescribed area is a mandatory livestock inspection zone within B.C. that comprises the part of the province east of the Cascade Mountains but excluding the Lower Mainland and Vancouver Island.
- B.C.'s brand registration and inspection program protects dairy, beef, and horse owners against animal theft, straying or misappropriation by confirming lawful possession.
- Ministry of Agriculture and Food (AF) staff have engaged with industry to determine if
  there is common agreement between the beef, dairy and horse sectors on potential
  changes to the Livestock Identification Regulation (LIR), especially to expand the
  prescribed area to the whole province.
- Without strong support to pursue changes from all sectors impacted by LIR, regulatory work cannot proceed.

#### **BACKGROUND:**

- Livestock are defined in the Livestock Identification Act (LIA) as cattle (dairy and beef), horses and game (bison). The intent of LIR is to protect livestock owners against animal theft, straying or misappropriation within the prescribed area.
- The prescribed area is defined in LIR as the "portion of the province east of the Cascade Mountains" and is comprised of five brand inspection zones excluding the Lower Mainland and Vancouver Island.
- Livestock inspections of ownership are mandatory for movements through or within
  the prescribed area to confirm lawful possession prior to transportation, sale, or
  slaughter. Livestock branding for identification purposes under LIA is voluntary;
  however, inspections for ownership and the use of a livestock manifest are mandatory
  for movements through or within the prescribed area under LIR.
- Ownership Identification Incorporated (OII), a private, industry-owned entity, administers the B.C. brand registration and inspection program under LIR and LIA through a memorandum of understanding with AF (last dated 2013).
- Current LIR requirements apply equally to dairy and beef cattle. Horses are also included but compliance within that sector is reportedly low.
- In February 2022, the BC Cattlemen's Association (BCCA) and OII met with AF staff and submitted a proposal to update B.C.'s LIR. The requested updates include:
  - Expanding the prescribed area to the entire province,
  - Strengthening language when cattle are accepted at a sale yard or slaughterhouse; and,
  - Increasing fines and penalties.
- This request to update LIR has been ongoing since 2015, when the B.C. beef sector requested the expansion of the prescribed livestock inspection area to the whole province. The BC Dairy Association (BCDA) has been willing to engage on this issue but is not supportive at this time of Prescribed Area expansion.

 Many of the historical concerns raised by both BCCA and BCDA are still relevant today and AF staff have been working with the livestock sector to explore non-regulatory solutions and support cross-sector dialogue on this issue.

#### 2023-2024 Activities

- The beef sector continues to advocate on this issue, most recently with a letter of support from BCCA dated January 20, 2023.
- OII met with BCDA and AF staff on February 16, 2023, to re-introduce the topic to new BCDA staff and to request BCDA support pursuing updates to LIR.
  - BCDA are open to discussions but are not interested in expanding the prescribed area.
- The Vancouver Island Cattlemen's Association (VICA) became a regional association of BCCA in May 2023; they desire access to loan guarantee programs (which is limited by Vancouver Island being outside the prescribed area). Discussions with AF staff took place for a special agreement between BC Breeder and Feeder Association (administrator of the loan guarantee program) and VICA to access programming; however, industry decided not to pursue this option.
- The former AF Minister met with members of the beef industry in May 2024 to discuss OII's request to expand brand inspection to Vancouver Island. In June 2024, she advised that policy work on this issue is ongoing.

## **CROSS JURISDICTIONAL COMPARISON:**

- Both dairy and beef cattle are included in Alberta's and Saskatchewan's inspection system. Inspections occur when cattle leave the province, are sold, or sent for slaughter.
- Those provinces have one inspection area for the entire province versus B.C.'s five inspection zones. B.C. has these zones due to the larger number of cattle grazing on the large, unenclosed Crown Range which increases opportunities for livestock mixing with neighboring herds, and theft.

- 0.10 FTE Industry Specialist, Beef and Livestock
- 0.02 FTE Industry Specialist, Livestock
- OII is self-funded by charging fees for brand registration and inspections.
  - OII receives \$9K annually from AF for providing quarterly statistics on livestock inspected. Any modifications to the inspection program may have financial implications for OII.

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## ESTIMATE NOTE- FISCAL 2025/26 Ministry of Agriculture and Food

Confidential Advice to Minister

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## **SLAUGHTER CHALLENGES**

#### **RECOMMENDED RESPONSE:**

- Access to reliable slaughter and processing services is a critical factor enabling livestock producers to meet consumer demand for local meat products.
- Despite many regulatory and operational improvements, B.C.'s livestock sector continues to face challenges accessing slaughter and processing services.
- Some challenges include: a shortage of skilled labour, cost of infrastructure expansion, a lack of cooler/freezer space, distance to market, and cost of transportation.
- These challenges were exacerbated during the Covid-19 pandemic, with producers directly impacted by supply chain disruptions and closures of meat processing plants.
- The Ministry of Agriculture and Food (AF) is committed to continue working with B.C.'s livestock and processing sector to develop innovative slaughter capacity solutions in all regions of the province, and support the sector with strategic planning, education, training, and research.

#### **BACKGROUND:**

- On October 1, 2021, AF amended the Meat Inspection Regulation to create new license categories (Farmgate and Farmgate Plus), allow more modernized inspection approaches, increase production limits, expand where meat products can be sold, and increase areas where rural licenses are available.
- Currently, there are 57 Abattoir, 89 Farmgate Plus and nine Farmgate provincially licensed operators.
  - Abattoirs: 29 red meats only, 20 poultry only, and eight licensed for both red meat and poultry.
  - Farmgate Plus: 40 red meats only, 15 poultry only, and 34 licensed for both red meat and poultry.
  - Farmgate: five red meats only, two poultry only, and two licensed for both red meat and poultry.

### On-going Issue of Access:

- Livestock producers across B.C. continue to have difficulty accessing reliable slaughter and processing services in many regions across the province.
- Farm direct marketing options for diversifying a livestock business are directly dependent on location and access to slaughter and secondary processing facilities.
   Reduced abattoir capacity limits opportunities to expand animal production.
- A Strength Weakness Opportunities and Threats Assessment completed by regional staff suggests that most regions across B.C. face weaknesses and/or threats due to lack of slaughter and meat processing options. Reasons provided include:

- There is limited availability of processing facilities to meet demand and abattoir closures which threatens (small) livestock producers' viability and limits economic growth of the sector.
- Slaughter and cut/wrap capacity suffers from lack of consistent through-put due to seasonality of production.
- Lack of skilled labour for meat processing sector and labour shortages.
- Few processing facilities hinders market access.
- Distance to market and cost of transport.
- BC Meat Productivity Benchmark Study (March 2022)
  - Bottlenecks continue to include skilled labour availability, seasonal livestock production, and cooler/freezer capacity. Additionally, abattoirs struggle with the cost of infrastructure for expansion and need for specialized processing equipment that would help mitigate labour challenges.

#### AF Efforts to Increase Capacity and Reduce Challenges:

- AF staff meet regularly with and provide ongoing support to BC Meats and the Small-Scale Meat Processors Association (SSMPA), two key provincial meat industry associations.
- Since 2021, AF has provided funding to BC Meats to undertake a B.C. Meat Productivity Benchmark Study, develop its five-year Strategic Plan, create a benchmark tool and best practices guides, deliver training on their uses, assess provincial meat plants' revenues and production costs, and research on an app development for the benchmark tool.
- Since 2018, AF has provided funding support for SSMPA to develop strategic plans, organize an annual conference, understand insurance challenges facing its members, conduct an abattoir tour and butcher hub network visioning, and options for emergency slaughter trailers.
- Since 2015, the BC Cattlemen's Association has worked in partnership with AF toward a
  federally inspected beef processing facility in the Interior. During the COVID pandemic,
  the BC Beef Producers Incorporated (BCBPI) was formed, a B.C. brand sales and
  marketing plan was created, and a federally inspected slaughter plant was leased. Due to
  lack of producer buy-in, it is not currently in operation; however, BCBPI continues to
  explore other processing facility opportunities.
- Additionally, the Beef Cattle Industry Development Fund, managed by the Cattle Industry Development Council, funded the following projects led by BC Meats (formerly B.C. Association of Abattoirs):
  - "Growing the Market for BC Beef"
  - "Growing Slaughter Capacity through leasing underutilized plants"
- And a feasibility study for a slaughter scheduling app was completed in 2024. The study
  concluded that an app could help alleviate many challenges producers and processors
  are facing with scheduling; however, B.C. meat sector stakeholders (particularly
  producers) remain unconvinced of the merits of using an app for scheduling. The study
  recommended a small-scale pilot to explore the use of an app in a geographic region.
  AF is not moving forward due to lack of industry support.

## **CROSS JURISDICTIONAL COMPARISON:**

- According to the Canadian Meat Council, there is a critical labour shortage impacting Canada's meat processing industry, with vacancy rates of 20 percent or more.
- There is a shortage of options for abattoir services in some parts of Atlantic Canada.
- The beef industry has been challenged with maintaining small to medium sized packers and having sufficient processing capacity in eastern Canada.

- AF has provided funding to BC Meats to undertake a B.C. Meat Productivity Benchmark Study (\$75K, FY 2021/2022), develop its five-year Strategic Plan (\$7.5K, FY 2022/2023), create a benchmark tool and best practices guides (\$11K, FY 2022/2023), deliver training on their uses (\$7.5K, FY 2023/2024), assess provincial meat plants' revenues and production costs (\$65K, FY 2023/2024), and research on an app development for the benchmark tool (\$25K, FY 2024/2025).
- AF has provided funding support for SSMPA to develop strategic plans (2019-2022, \$10K, FY 2018/2019 and 2022-2025, \$15K, FY 2021/2022), organize an annual conference (\$5K, FY 2021/2022), understand insurance challenges facing its members (\$2,300, FY 2022/2023), conduct an abattoir tour and butcher hub network visioning (\$7.5K, FY 2022/2023), and build emergency slaughter trailers through Investment Agriculture Foundation (approved for \$1.3M, FY 2024/2025).
- The Slaughter Scheduling App Feasibility Study completed in FY 2023/2024 was \$20K.
- Funding toward a federally inspected beef processing facility in the Interior was provided through the following initiatives:
  - Viability initiative through IAF, \$124K (2015).
  - Business plan and feasibility study through AF, \$450K (2018/2019).
  - BC Beef Packing Plant, Phase 1: Commercialization Roadmap through IAF, \$138,185 (2019/2020).
  - Development and operationalization of Genuine BC Beef brand through AF, \$1,050,000 (2020/2021).

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## **Bee BC Program**

#### **RECOMMENDED RESPONSE:**

- Honeybees play a major role in agriculture as pollinators of crops, contributing approximately \$500M per year to the economy in British Columbia (B.C.).
- The Government of B.C. acknowledges the important and crucial role bees play in agriculture and the environment, not only in B.C. but globally.
- Recognizing the significance of bee health, the provincial government has allocated \$668K to the Bee BC program since 2018 supporting 113 projects.
- The province has provided \$1.3M in funding to support pollinators over the past 6 years.

#### **BACKGROUND:**

#### **INDUSTRY**

- Approximately 5,225 beekeepers manage about 85K colonies in B.C. Over 97 percent of beekeepers operate at small scale (defined as fewer than 50 colonies). A small percentage of beekeepers, approximately 164, operate at large scale (defined as 50 or more colonies).
- The industry is represented by two groups/associations:
  - The BC Honey Producers' Association (BCHPA) is a volunteer-based organization that represents approximately 580 beekeepers. It focuses on advocacy, training, and support for its members. Its emphasis leans more towards hobbyist beekeepers.
  - The BC Commercial Beekeeper's Association (BCCBA): Formed recently with fewer than 12 members, representing the interests of commercial beekeepers.
- Although there are beekeeping operations in every province, most honeybee colonies and honey production in Canada are maintained in the prairies (Alberta, Saskatchewan, and Manitoba), where foraging is made easier by long summer days and a suitable crop mix.

#### MINISTRY SUPPORT

The Ministry of Agriculture and Food has supported numerous initiatives in the past years to advance the apiculture industry in B.C., including:

- The Bee BC Program (\$668K) was launched on May 29, 2018, with the objective of enhancing bee health throughout the province. The program is set to conclude in 2025.
  - The program supported small-scale regional/community-based projects to research, explore, field-test, and share information about Best Management Practices (BMP) associated with bee health.
  - Up to \$7K per project was available through the program to assist regional or community-based organizations, beekeeping associations and/or beekeepers

with project costs. The program has been delivered by the Investment Agriculture Foundation (IAF) of B.C.

- Since its introduction in 2018, the program has supported 113 projects.
- The <u>BC Tech Transfer Program (BCTTP-\$525K)</u>was a three-year program (2021-2024) led by the BC Honey Producers Association which focused on advancing B.C.'s apiculture industry. Its objectives included the enhancement of standardized knowledge and the promotion of Best Management Practices (BMPs) through education, applied research and extension services. Associations can now continue building on these efforts by applying for support through the Knowledge Transfer Technology Program (KTTP).
- The Sector Analysis of the Beekeeping Industry in B.C. (\$75K) was completed in 2023 by the BCHPA to conduct an economic assessment of the beekeeping industry in B.C. This analysis aims to define key priorities, develop actionable plans and evaluate the financial and economic prospects of the beekeeping industry in B.C.

## **CROSS JURISDICTIONAL COMPARISON:**

- In most provinces, beekeepers and beekeeping are eligible for funding programs related to research, biosecurity, and/or animal health.
- Seven technology transfer teams for apiculture in Canada including B.C., collaborate directly with beekeepers to analyze and disseminate information.

- 0.02 FTE Industry Specialist is committed to working with the Bee BC Program, and 1.0 FTE Apiculture Specialist.
- The Province through IAF has funding in the amount of \$668K to support the Bee BC Program between 2018-2025.
- The Province has funded \$525K for the delivery of BCTTP (\$175K per year, 2021-2024).
- The Province provided \$75K to the BCHPA in FY 2022-2023 to support the completion of a Sector Analysis of the Beekeeping Industry in B.C.

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## HONEYBEE IMPORTS AND THE THREAT TO BEE HEALTH

#### **RECOMMENDED RESPONSE:**

- Importing bees and queens from any foreign source involves risks and benefits. British Columbia (B.C.) must continue to collect information and assess the bee health risks associated with bee imports from all sources.
- If the results of the Canadian Food Inspection Agency's (CFIA) current risk assessment support the resumption of United States (US) bee package imports, B.C. must participate in the development of safeguards at the source and an inspection protocol that minimizes health risks to the Canadian honeybee sector.

#### **BACKGROUND:**

- Canada's commercial beekeeping sector is concentrated in the Prairie provinces.
- Due to climatic conditions and seasonal availability, Canada's commercial beekeeping sector has historically relied on the import of honeybees from abroad each spring.
- Approximately 25,000 bee packages and 200,000 queens are imported into Canada each spring.
- A 'queen shipment' typically includes dozens of cages, each containing an individual queen with a few attendant bees. Each queen is used to either replace an old queen of an existing wintered colony or start a new colony.
- A 'bee package' is a container holding about one kilogram of adult bees, including one caged queen with a complement of worker bees.
- Bee packages and queens have been imported under CFIA permit from Australia, New Zealand, and Chile since the 1990s. In 2023, CFIA also permitted queen and bee package imports from Ukraine and Italy / Malta. (Due to disease threats, Ukraine was removed from the list in 2024).
- Canadian beekeepers have had a strong preference for bees from US sources due to price, availability, ease of delivery and synchronization of seasons. After the Varroa mite was confirmed in the US, the chronology of events involved:
  - 1987 Confirmation of the Varroa mite. CFIA imposed an import ban of all bees. The import restriction of US bee packages has remained in place since.
  - o 1990 First confirmation of Varroa in B.C., with detections in other provinces.
  - 2004 CFIA permitted the import of honeybee queens from California (CA) and Hawaii (HI) under CFIA permit.
  - 2013 CFIA carried out a risk assessment and justified the continued import restriction of US bee packages, citing the presence of exotic diseases and pathogens in Canada.
  - CFIA's decision was not universally supported, as the assessment did not acknowledge existing disease conditions in Canada. A significant portion of Canada's commercial beekeeping sector, primarily in the Prairie provinces, opposed the continued import restriction.

- Due to further changes in the bee disease profile in Canada since 2013, industry representatives repeatedly requested CFIA conduct another risk assessment. In April 2023, the Parliamentary Committee on Agriculture in Ottawa recommended CFIA carry out a new risk assessment.
- CFIA completed its risk assessment in summer 2024, which was subsequently shared with provinces and the beekeeping industry. The deadline for the comment period was January 31, 2025. CFIA is expected to consult with industry partners and provinces in 2025.

#### **DISCUSSION:**

- The bee health threats listed in the 2024 CFIA assessment are the same as those
  identified in 2013. Except for the Africanized Honeybee (AHB), the other health threats
  have already been reported in Canada. Existing surveillance and control measures
  employed by beekeepers and provincial governments are believed to be sufficient to
  prevent increased prevalence or economic impact.
- While the threat of AHB cannot be dismissed, its climatic requirements and behavioural traits excludes its establishment in Canada.
- Honeybee queens from selected suppliers in CA and HI have been imported successfully into Canada since 2004 without introduction of AHB or other pathogens.
- If similar safeguards and import conditions are applied to US bee package suppliers, the risk of introducing AHB and other diseases should remain low.
- While the condition and quality of US bees have been heavily scrutinized, Canadian beekeepers have continued to import bee packages and queens from various overseas sources without the same level of scrutiny.
- The majority of Canada's beekeepers are hobbyists with no commercial interests.

## **CROSS JURISDICTIONAL COMPARISON:**

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

- Bees play a significant role in agriculture as crop pollinators, contributing an estimated
   \$550 million to the economy in B.C. and over \$2 billion in Canada.
- B.C. beekeeping industry reported an estimated \$38.1 million in farm receipts in 2024 from the sale of hive products and pollination services. B.C. bee breeders have also increased their sales of bees and queens.

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## **Buy BC**

#### **RECOMMENDED RESPONSE:**

- Buy BC helps British Columbians support local businesses by choosing food and beverage products made in B.C. This strengthens the local economy and enhances food security by keeping money within our communities.
- Buy BC continues to provide \$2M annually in cost-shared funding to farmers and food processors and free access to the Buy BC logo to support industry-led marketing campaigns.
- Since it was relaunched in 2017, Buy BC has seen over 1,325 B.C. businesses license more than 10,0000 B.C. food and beverage products to leverage the Buy BC brand to increase sales.
- Our government is working closely with retailers like Safeway, Thrifty Foods, and Saveon-Foods to help consumers easily identify local foods through campaigns and Buy BCbranded in-store signage.
- British Columbians are proud to support the people behind B.C.'s food and beverage
  industry even more in the face of potential U.S. tariffs. Our research shows that 63% of
  consumers are aware of the Buy BC logo, and 72% of them say it influences their
  purchase decisions. 86% agreed that the Buy BC logo helps them identify local products
  in retail stores, and 93% believe Buy BC is important to B.C.
- As Buy BC continues to gain support, it will further secure our food supply, reducing the impact of global and market inflation on British Columbians.

#### BACKGROUND:

- Please see Buy BC 3-year Strategy FBB Estimates Note for additional information on Buy BC's key goals and progress.
- Key Accomplishments for Buy BC in 2024/25:
  - Delivered a **B.C.-wide advertising campaign** in June 2024, showcasing the people behind B.C.'s agriculture, food, and fish sectors. The campaign reached millions of British Columbians across digital video and social media, with an average of 2–3 views per person (over 17 million impressions). It resulted in a 188% increase in traffic to the Buy BC website compared to the previous year, showing strong interest in the Program.
  - Funded 141 industry-led local marketing projects through the Buy BC
     Partnership Program (18 projects from industry associations, boards, and councils, and 123 projects from producers, processors, and cooperatives). The Buy BC funding has created new opportunities for applicants including:
    - East Van Jam is an artisanal low sugar spread made in Vancouver with B.C fruits grown by local farmers. The female-owned company used Buy BC funding to participate in an industry tradeshow and deliver samplings, which resulted in new retail stores sourcing their products.

- Nina's Flavours is a frozen food manufacturer of pierogies based in Surrey. The business used Program funding to add the Buy BC logo to their products packaging, deliver in-stores food demonstrations, and attend an industry tradeshow, which resulted in increased sales and broader distribution of their products across the province.
- Distributed over 140,000 Buy BC signs to retail partners including Safeway, Thrifty Foods, Save-on-Foods, and independent grocers. In November 2024, launched an online platform where retail partners can order complimentary BC signage and have it shipped directly to their stores.
  - Since the relaunch of Buy BC in 2017, Buy BC has partnered with over 330 retail stores that are operated by 39 companies, ranging from large grocery chains like Sobeys' banner companies (81 stores across B.C.), medium-scale independents like Kin's Farm Market (21 stores in the lower Mainland), and small-scale general stores.
- Promoted over 80 Buy BC business and their products through the expanded Buy BC Brand Ambassador partnering with three new ambassadors, including chef Mark Singson, lifestyle influencer Chez Chanelle, and photographer and blogger Danika McDowell, and produced over 30 new content assets including recipes, videos and blog posts.
- With the U.S. government threatening potential tariff action against Canada, the Ministry is working on options to ramp our Buy BC activities to support consumers wanting to purchase local and business impacted by tariffs.

## **CROSS JURISDICTIONAL COMPARISON:**

- The Market Development Unit (MDTU) has been an active member of the **Federal Territorial and Provincial Buy Local Round Table** since 2018, attending quarterly meetings where different jurisdictions from across the country share best practices and insights from agriculture buy local programs.
- MDTU has been in regular communication with **Foodland Ontario**, a leader in this category, since the establishment of their Foodland Ontario program in 1977, gaining valuable insights into growing a provincially led buy local program.

- There are 6.0 FTEs responsible for the delivery of broader domestic market development initiatives, including Buy BC.
- \$3.75M of base budget is committed to all Buy BC programming in 2025/26, including
   \$2M in cost-shared funding through the Buy BC Partnership Program.

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## **Buy BC 3-Year Strategy**

#### **RECOMMENDED RESPONSE:**

- Buy BC is committed to supporting B.C. food and beverage businesses and growing our local food economy. In the face of potential tariffs from the U.S., Buy BC is more important than ever to choose local over imports.
- The Ministry has developed a 3-year Buy BC Strategy (2024/25 to 2026/27) to expand the Program's reach and impact by:
  - o increasing the number of B.C. products available in B.C. grocery stores;
  - o increasing consumer motivation to purchase B.C products over alternatives; and,
  - ensuring B.C. products are visible at grocery stores so consumers can easily identify and buy B.C. products when shopping.
- This strategy ensures ongoing demand for local products by making it easier for consumers to identify them. It also helps B.C. food and beverage businesses expand into local retail markets, increasing sales and revenue.

#### **BACKGROUND:**

#### **Buy BC Audit:**

- Developing a multi-year Buy BC strategy was one of the six recommendations of the internal audit of the Buy BC Program conducted by the Office of Comptroller General of the Ministry of Finance in 2022/23.
- The audit findings included the following six recommendations, and the Ministry has identified specific actions to address each of these recommendations:
  - 1. Developing an agriculture and food strategy.
  - 2. Establishing a governance framework.
  - 3. Developing a multi-year Buy BC strategy.
  - 4. Developing a Buy BC performance management process.
  - 5. Establishing an advertising plan; and,
  - 6. Ensuring all procurements align with the relevant requirements of the Core Policies and Procedures Manual.
- A full audit report is available on the BC Government website: <a href="https://www2.gov.bc.ca/gov/content/governments/services-for-government/internal-corporate-services/internal-audits/audit-reports">https://www2.gov.bc.ca/gov/content/governments/services-for-government/internal-corporate-services/internal-audits/audit-reports</a>.

#### **Buy BC Strategy:**

- The Ministry of Agriculture and Food developed the 3-year Buy BC Strategy in 2023/24 to guide the Program from 2024/25 to 2026/27. The Strategy includes a robust performance metrics framework to ensure the Buy BC strategy is successfully delivered and results-driven and maintains the same annual budget of \$3.75M and 6.0 FTEs.
- The Strategy will expand the Program's reach and impact through three goals:
  - Goal 1: Buy BC products are increasingly available in B.C. grocery stores across

the province.

- Goal 2: Consumers are motivated to purchase BC products over alternatives;
   and.
- Goal 3: Consumers are prompted to purchase BC products.
- The Strategy is available on the Buy BC website and ministry corporate website:
  - https://buybc.gov.bc.ca/about/about-buybc/
  - https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/growbcfeedbc-buybc
- Progress updates on priorities since the launch of the Strategy in 2024/25:
  - Please see Buy BC Program FBB Estimates Note for additional information on key accomplishments for 2024/25.
  - Goal 1: To ensure BC products are increasingly available in B.C. grocery stores across the province:
    - Delivered two annual Buy BC Partnership intakes to ensure more businesses have access to cost shared funding and increase adoption of Buy BC logo on packaging and delivery of other promotional activities.
    - Increased the number of B.C. businesses licensing Buy BC to over 1,325, with more than 10,000 food and beverage products now using the brand to boost sales.
    - Developed an online market-readiness framework to help businesses follow easy steps to sell to B.C. retailers and diversify into new markets and channels successfully.
    - Supported 20 Buy BC companies through a Buy BC Pavillion at the Grocery Food Show West in Vancouver (April 2024), facilitating connections between businesses and retailers. Additionally, 37 companies recruited for participation in the upcoming show in April 2025.
  - Goal 2: To motivate consumers to Buy BC products over alternatives:
    - Expanded Buy BC Brand Ambassador Program by partnering with three ambassadors to produce ongoing Buy BC content online and educate consumers on the importance of buying B.C.
    - Delivered an annual province-wide Buy BC ad campaign in partnership with GCPE and produced new ad assets for a 2025/26 campaign to increase recognition of Buy BC products sold at retail stores.
  - Goal 3: To increase visibility and sales of BC products in retail stores and at markets across B.C.
    - Implemented an online order platform on the Buy BC website to make it easier for all 330 Buy BC retail partners to order complimentary Buy BCbranded signage to identify Buy BC products sold in stores.
    - Distributed over 140,000 Buy BC signs to retail partners including Safeway,
       Thrifty Foods, Save-on-Foods, and independent grocers.

## **CROSS JURISDICTIONAL COMPARISON:**

N/A

- There are 6.0 FTEs responsible for the delivery of broader domestic market development initiatives, including Buy BC.
- \$3.75M of base budget is committed to all Buy BC programming in 2025/26, including \$2M in cost-shared funding through the Buy BC Partnership Program.

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## **Cannabis – Ministry Support and Programs**

#### **RECOMMENDED RESPONSE:**

- The Ministry of Public Safety and Solicitor General's (PSSG) Cannabis Secretariat leads development of the provincial non-medical cannabis framework including policy coordination across ministries.
- Agriculture and Agri-Food Canada and the British Columbia (B.C.) Ministry of Agriculture and Food (AF) recognize cannabis as an agricultural commodity.
- AF's January 2025 mandate commits to supporting the work led by PSSG to reform B.C.'s liquor and cannabis rules in ways that support the restaurant and agricultural sector.
- AF acknowledges the importance of the cannabis sector to B.C.'s economy and collaborates with partner ministries to develop initiatives and programs that strengthen the provincial government's legal cannabis sector.
- Prior to legalization, individual provinces and territories were given the ability to determine what programs and services licensed cannabis producers would be eligible for within their jurisdictions. In B.C., licensed cannabis producers are eligible for most AF funded programs.
- For example, licensed cannabis producers are eligible for the suite of AF's Environmental Sustainability and Climate Change programs, such as the Beneficial Management Practices Program, as well as AF's Business Development programs, such as the Knowledge and Technology Transfer Program.
- Licensed cannabis producers, however, are not eligible for AF's Business Risk Management programs, as this decision sits at the Federal-Provincial-Territorial working group level.
- In the past, AF has committed funding and services to support licensed cannabis producers who have entered the new legal framework. AF will continue to evaluate programs and services for licensed cannabis producers and, where possible, continue to align them with similar resources offered to other agricultural sectors.

#### **BACKGROUND:**

- The Government of Canada legalized non-medical cannabis in October 2018.
- Health Canada's Cannabis Act provides a legal and regulatory framework for controlling the production, distribution, sale, and possession of cannabis in Canada.

#### AF Support

 AF staff continue to work with industry representatives within the legal cannabis sector as well as partner and co-mandated ministries to support

- and grow B.C.'s legal cannabis sector, as well as identify issues, evaluate programs and services, and monitor and develop solutions to issues related to bylaw development, odour complaints, production, pests, and disease.
- In FY 2024/2025, AF updated the Minister's Bylaw Standard for Cannabis Production Facilities in the Agricultural Land Reserve (ALR). This work provides enhanced guidance for local governments as they continue to develop bylaws pertaining to licensed cannabis production in their respective jurisdiction.
- In FY 2024/2025, AF completed a Craft Cannabis Designation Study (\$30K from FY 2023/2024) to assess the potential for and feasibility of a craft cannabis designation for B.C.'s legal market. The Craft Cannabis Designation Study was informed by industry input from over 30 B.C. licensed producers (including cultivators and processors) and retailers, and seven industry associations. AF and PSSG are reviewing the findings of the Craft Cannabis Designation Study to recommend actions for promoting and marketing B.C.'s licensed cannabis producers and/or their products.
- See Appendix for additional AF projects supported between FY 2020/2021, FY 2021/2022, FY 2022/2023.

#### **B.C. Sector Overview**

- As of December 31, 2024, there were 231 cannabis production licenses granted by Health Canada in B.C. (of which 20 are Indigenous-affiliated); 106 were micro-class licenses, 105 were standard-class licenses (no production limit), and the remaining 20 are nursery and/or sales only license classes.
- An estimated 70 to 80 of the 231 licensed cannabis producers are located on B.C.'s ALR. Based on licensed cultivation space, 138 licensed producers are estimated to be growing indoors in B.C, and 46 growing in an open field.
- As of October 2024, it is difficult to estimate how many of the 231 production licenses are in full production. Many facilities are currently producing only minimal amounts or are not in production, as the legal cannabis market continues to find stability from over-saturation since legalization. It is anticipated that inoperative producers may soon amalgamate or exit.
- Cannabis retail and production is a significant economic driver in B.C. Based on retail sales to the end of November 2024, total retail sales for the year from licensed cannabis stores in B.C. was approximately \$715M. From January to August 2024, the cash amount received by the provincial government from the federal government for B.C.'s share of the excise duty on cannabis was approximately \$73M.
- Total farm-cash receipt value in 2023 for B.C. producers from the production of cannabis was \$420M, which exceeds the farm-cash receipt value of \$369M for B.C. greenhouse vegetable production that same year.
- Estimates for 2023 show that B.C.'s legal operations currently maintain a 58
  percent market share of the cannabis sector, with the remaining 42 percent
  still being captured by illicit production and retail.

### **CROSS JURISDICTIONAL COMPARISON:**

- Ontario Cannabis Stores The provincial wholesaler, like B.C. cannabis stores operated by PSSG's Liquor Distribution Branch, enacted a Craft Cannabis Designation for legal cannabis products in April 2021.
- The wholesale, distribution, and retail sales of licensed cannabis production was privatized upon legalization by the Government of Saskatchewan in 2018.
- The Government of Alberta's Gaming, Liquor and Cannabis Division allows cannabis retail stores to operate at licensed cannabis production facilities without any ownership restrictions, which is similar to B.C.'s Production Retail License model.

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

 0.2 Full-Time Equivalent (FTE) Industry Specialist is allocated to support the cannabis sector and related initiatives for FY 2025/2026.

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### Appendix - Additional AF Projects Supported Between FY20-23

- From FY20-23, AF staff played a strong role in a joint-initiative with Ministry of Environment and Climate Change Strategy and PSSG staff in negotiating the discontinuation of Metro Vancouver Regional District's proposed airemissions bylaw that would have had significant operational impacts for licensed cannabis facilities.
- In FY22/23, AF provided \$29,540 in funding to complete the 'Central Kootenay Cannabis Processing Feasibility Study'.
- In FY21/22, \$40,000 of Market Development funding from AF's Food & Beverage Branch was allocated to support PSSG in delivery of their 'Indigenous Cannabis Supply-Chain and Market Access' project through a Memorandum of Understanding (MOU).
- In FY20/21, \$49,942 in funding from AF was used for delivery of the 'Cannabis Micro-Cultivation Guide' SRFP. This project enhanced the technical resources available to support the transition of illicit cannabis producers into the legal sector in B.C. and was advocated for by stakeholder groups.
- In FY20/21, \$44,910 from AF was used to fund the 'Relative Impact of Volatile Organic Compounds (VOC) Emissions from Agriculture on Air Quality of Urban Centers' study and was administered by AF's Resource Management Unit.
- In FY20/21 and FY21/22, AF's Plant Animal Health Branch allocated \$96,000 to deliver their project, 'Surveillance and mitigation for diseases of Hemps, Hops, and Cannabis grown in British Columbia'. This project utilized subjectmatter expertise from Simon Fraser University to identify upcoming plant diseases that may impact the emerging cannabis sector.
- In FY20/21, \$70,000 from AF through CAP Market Development Funding was allocated to support the Ministry of Jobs, Economic Development, and Innovation for their 'Legal Market Entry Project'.

### **ACCESS TO WATER**

### **RECOMMENDED RESPONSE:**

- Water is vital for the agriculture sector. The Ministry of Agriculture and Food (AF)
  recognizes the importance of securing and enhancing water availability for agriculture
  to sustain the production of high-quality food and support food security for British
  Columbians.
- We know that water security has been identified by the BC Agriculture Council (BCAC) and Premier's Task Force on Agri-Food Competitiveness and Growth as a top strategic priority for the sector, along with continued financial and other support for agricultural water infrastructure, including water storage.
- British Columbia's (B.C.) agriculture sector faces several significant water-related challenges, including widespread unauthorized water use, confusion and apathy around licensing requirements, and vulnerability to climate extremes, water scarcity, and water use curtailment orders.
- AF is committed to working with partner ministries to educate agricultural users on licensing requirements, reduce barriers to water licensing and infrastructure funding, and promote agricultural water security in water strategy and planning processes, including exploring the potential for dedicating water for agriculture under our existing regulatory framework.
- AF has allocated \$100M to the Agriculture Water Infrastructure Program (AWP), which
  provides cost-share funding for water infrastructure planning and implementation. AF
  will continue to support additional funding to expand programs that enhance water
  security for agriculture through on-farm and community water storage and irrigation
  improvements in critical areas.

- Water security is essential for agricultural businesses and B.C.'s food security.
   Increasing water scarcity and adverse climate events are projected to intensify across B.C., further challenging the sector's access to a reliable water supply.
- The Water Sustainability Act (WSA), in effect since 2016, requires water licences for diverting, using, and storing surface and groundwater for many different purposes, including agricultural purposes like irrigation and livestock watering.
- The Ministry of Water, Land and Resource Stewardship (WLRS) is responsible for
  provincial water management activities, including water policy, planning, and
  administration of WSA. AF is committed to working with WLRS and other partner
  ministries to advocate for agriculture water security in policy discussions, drought
  preparedness and response, and watershed planning processes.
- BCAC is campaigning publicly to encourage the Province to secure access to water for agriculture through a provincial 'agriculture water reserve' and for providing financial and other support for large-scale water storage.

 AF recognizes the importance of reconciliation with Indigenous Peoples and the Province's commitment to B.C.'s Declaration on the Rights of Indigenous Peoples Act (DRIPA). Collaborative Government-to-Government (G2G) water governance is vital to securing water resources for the future (Refer to Estimates Note – G2G Agreements and Water Use for more information).

#### **KEY CHALLENGES:**

### **Unlicensed Agricultural Water Use**

- Under the former Water Act, a water licence was needed for the diversion, use, and storage of surface water for most purposes, including irrigation and livestock watering. In 2016, WSA introduced a new requirement for all non-domestic groundwater users to obtain a licence. Water users who were using groundwater prior to the enactment of WSA had six years (from March 1, 2016, to March 1, 2022) to apply for an "existing use" groundwater (EUGW) licence to have their historical groundwater rights recognized under a transitional provision in WSA.
- WLRS estimates there are approximately 20K EUGW users in B.C. Approximately 7,700 EUGW applications were submitted, with WLRS estimating that 60-70 percent are for agricultural water use; of these, 3,078 have been processed (4,927 remain unprocessed as of November 2024). Based on these figures, thousands of agricultural groundwater users likely remain unlicensed and risk enforcement actions if they continue to use water for farming. WLRS established a Task Force in 2024 with resources dedicated to accelerating the processing of EUGW applications, which is starting to make progress on the application backlog.
- EUGW users that applied before the March 2022 deadline may continue to use water until a licensing decision has been made. Water users that did not apply before the deadline must apply for a new water use licence and must stop using, diverting, and storing groundwater until a licence decision has been made.
- In some areas of the province, the Lower Mainland in particular, WLRS began taking
  enforcement actions starting in 2023, including the issuance of unauthorized use
  orders to unlicensed agricultural users, requiring them to cease groundwater use for
  non-domestic purposes. Producers from multiple sectors are affected, with the majority
  being blueberry producers.

### Consideration of Livestock Watering provisions under the WSA

- Some livestock producers (particularly those in the Peace Region) are opposed to government requiring them to obtain surface water or groundwater licences for livestock watering and have advocated for exemptions under the WSA.
- In 2020, the provincial government developed a policy proposal that would have recognized historical water use in the livestock sector through three tiers of authorization, including a regulation to exempt low-volume users from licensing. The policy aimed to secure water for livestock on Crown and private grazing lands, acknowledge historical use, and bring the industry, including ranchers, into compliance with the WSA.

- In 2021, the provincial government postponed further work on the policy partly due to the B.C. Cattlemen's Association's (BCCA) lack of consensus support from their members, and so the provincial government could focus on other priorities.
- BCCA continues to advocate for revisiting a livestock watering regulation, which WLRS staff have indicated remains on the list of potential policy projects.

### **Impacts of Drought Response Measures on Agriculture**

- Over the last decade, declining streamflow's have led WLRS to increase use of drought response actions including issuing unauthorized use orders to unlicensed water users (including many agricultural operations), voluntary use reduction letters, and, as a last resort, temporary curtailment orders for licensed water users1.
- In recent years, the issuance of Fish Population Protection Orders (FPPO) has resulted in temporary water use curtailments for forage irrigators in watersheds on Vancouver Island and in the Thompson-Okanagan, including the Koksilah, Salmon, Tsolum, and Bessette watersheds.
- The potential impacts of water use curtailment orders for agricultural irrigation vary based on the timing of the orders but can include crop loss, crop damage to future crops, loss of fire protection, and feed replacement challenges for livestock producers.
- Water scarcity and resulting curtailment orders have heightened tensions in affected communities, underscoring the need for collaborative community-led solutions at the watershed scale to address critical water supply challenges.

## INCREASING WATER SECURITY FOR AGRICULTURE: Cross-Agency and Community Collaboration

- AF continues to provide education and support to producers related to water licensing and is collaborating with WLRS staff, particularly in the Lower Mainland, to encourage and provide one on one support to producers to help them apply for a water licence.
- AF works closely with WLRS to raise awareness and engage producers on drought
  preparedness and provincial response measures. The successful 2024 "Decoding
  Drought" sessions delivered in communities across the province provided producers
  with valuable information on drought and facilitated productive dialogue between the
  Province and producers. In 2024, AF further expanded its efforts by hosting community
  meetings and information sessions and supporting community-level action to bolster
  drought resilience in agricultural communities.
- In 2024, AF hired four agriculture water consultants in water-scarce communities to provide watershed-specific support including: licensing application support, coordinated water use scheduling, guiding communities to apply for AWP funding, and providing guidance and technical expertise to community groups seeking to improve water security and drought resilience in their regions.

<sup>&</sup>lt;sup>1</sup> Refer to Estimates Note 'Drought Response' for more information.

### **Dedicating Water for Agriculture**

- BCAC is advocating for the establishment of a provincial 'agriculture water reserve,'
  which may be possible, albeit with important limitations, through a Dedicated
  Agricultural Water (DAW) regulation recommended in a Water Sustainability Plan (WSP).
  Under WSA, a WSP can only be initiated by ministerial order for an area (e.g., a
  watershed) to address conflicts between water users and environmental needs, risks to
  water quality or aquatic health, or to identify restoration measures.
- A DAW regulation can only hold a specified quantity of water in a stream or aquifer for agricultural uses on agricultural lands in designated WSP areas. This can be unrecorded and unreserved water (e.g., to reserve water for future agricultural use), or water held under existing agricultural licences (e.g., holding this water for agricultural purposes if licences are abandoned or cancelled).
- It is important to recognize that several watersheds in B.C. are fully allocated with no
  unrecorded or unreserved water available. This limits the scope and effectiveness of a
  DAW regulation in securing additional water for agricultural use in these areas.
- A WSP is underway in the Koksilah Watershed on Vancouver Island, which is governed by a G2G agreement (refer to Estimates Note - G2G Agreements and Water Use for more information). Work has been underway since 2023 to scope and explore options for a DAW regulation as part of the Koksilah WSP, however there is no unrecorded or unreserved water available in the Koksilah watershed.
- Although WSP processes take many years and are currently limited to two areas (e.g., the Koksilah Watershed on Vancouver Island and the Township of Langley), AF continues to advise these and other water planning initiatives emerging outside of WSP processes, using evidence-based considerations of current and future agricultural water demand for agriculture.

### **Funding for Agriculture Water Infrastructure**

- Initially launched in June 2023 with \$20M in cost-shared funding, AWP received an additional \$80M in March 2024 to support on-farm and larger-scale community-led water infrastructure planning and implementation (e.g., storage infrastructure, conveyance systems, irrigation systems).
  - \$32M in AWP funding for farm water management planning, irrigation system assessments, and on-farm water infrastructure improvements is delivered via the Beneficial Management Practices (BMP) Program
- AWP funding is allocated across five streams (Table 1) as follows:
  - Stream 0 (BMP): On-farm producer projects (small-scale)
  - Stream 1: Producer Projects (>\$200K)
  - Stream 2: Community Projects
  - Stream 3: Assessments, Engineering Studies or Plans
  - Stream 4: Strategic Projects

Table 1: Status of Agriculture Water Infrastructure Program (AWP) applications and funding allocation as of January 2025.

Stream	Notionally Allocated	Total Funding Requested	Committed (approved or completed)	# of applications received	# of applications approved	Not committed
Stream 0	\$30M	\$27.0M	\$23.3M	570	480	\$6.7M
Stream 1	\$10M	\$9.0M	Under review	17		\$3.5M
Stream 2	\$23M	\$15.0M	Under review	19		\$9.8M
Stream 3	\$5M	\$3.6M	\$2.1M	43	21	\$1.7M
Stream 4	\$5.2M	\$0	\$0M	0	-	\$5.2M
Totals	\$80M	\$54.7M	\$25.4M	649	501	\$26.9M

<sup>\*</sup>Note that an additional \$20M initially allocated to the inaugural Agricultural Water Infrastructure Program in FY 23/24 is not reported in this table due to differences in program design and eligible activities.

- Consultation with industry is ongoing to ensure that the program is effectively meeting the needs of the sector with future intakes for the program.
- Water storage infrastructure projects will be critical in water scarce watersheds, particularly larger community-scale solutions and initiatives that require considerable planning, engineering, financial investment and coordination between communities, First Nations, local and provincial government agencies.

### **CROSS JURISDICTIONAL COMPARISON:**

N/A

- AF provides extension to the agriculture sector to build drought resiliency (\$3M allocated in March 2024).
- AF has allocated \$100M for the Agriculture Water Infrastructure Program.

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### Clean BC Roadmap to 2030

#### **RECOMMENDED RESPONSE:**

- British Columbia (B.C.) is a leader in climate action that supports farmers to voluntarily reduce emissions while increasing their profitability.
- The CleanBC Roadmap to 2030 leverages and builds on this support for the agriculture sector.
- The CleanBC Roadmap to 2030 pathway for agriculture and aquaculture includes voluntary actions to reduce greenhouse gases and increase carbon sequestration on agricultural lands.
- Since 2022, funding has been provided to support implementation of these actions, including programs supporting the voluntary adoption of promising beneficial management practices by farmers and ranchers.
- No new costs have been imposed on food producers as a result of the CleanBC Roadmap to 2030.

- The agriculture sector directly accounts for just under five percent of B.C.'s
  greenhouse gas (GHG) emissions. The largest source is enteric fermentation, a
  digestive process of cattle that produces methane. The next largest sources are
  on-farm energy use, agricultural soils, and manure management.
- The CleanBC Roadmap (the Roadmap) to 2030 is the province's plan to achieve a 40 percent reduction in GHG emissions by 2030 and an 80 percent reduction by 2050, as legislated under the Climate Change Accountability Act. The Roadmap includes accelerated actions across several key pathways including Agriculture, Aquaculture and Fisheries. There is no specific target for agricultural emissions reductions; however, the sector is taking voluntary actions that make modest contributions to the overall targets.
- The Roadmap's pathway for agriculture identifies key actions to support farmers adopting GHG efficient farm practices, such as fuel switching and manure management, carbon sequestrating practices such as rotational grazing and cover cropping, and increasing production of renewable natural gas on farms through biogas digesters.
  - Through CleanBC and the Sustainable Canadian Agricultural Partnership, the Ministry of Agriculture and Food (the Ministry) provides funding to farmers and ranchers to adopt beneficial management practices that encourage greenhouse gas emissions reduction, as well as supporting payments for ecosystems services, including for on-farm carbon sequestration.

 The Ministry is also funding research, program development, and strategic policy advancing the Roadmap's agricultural pathway.

### **CROSS JURISDICTIONAL COMPARISON:**

- The Government of Canada's 2030 Emissions Reduction Plan outlines a sector-bysector path for Canada to reach its emissions reduction target of 40 percent below 2005 levels by 2030 and net-zero emissions by 2050.
- To work most effectively for farmers, the Ministry's programming complements Canada's on-farm funding programs (On-Farm Climate Action Fund) and on-farm research (Living Labs), both of which support voluntary actions to reduce GHG emissions and increase carbon sequestration on farms.

- The Ministry receives CleanBC funding of \$5M per year for adoption of Beneficial Management Practices and related climate change research and extension. It is understood that this funding is an ongoing part of the Ministry's base budget, which will be confirmed following Budget 2025.
- Further detail is provided in Estimate Notes "Climate and Environment: On-Farm Funding" and "Climate and Environment: Extension."

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

#### **RECOMMENDED RESPONSE:**

- In FY 2024/2025, the Ministry of Agriculture and Food (AF) committed \$38.2M in funding for on-farm climate and environment projects that promote agricultural sustainability, climate mitigation and climate adaptation practices for a cleaner, healthier environment.
- Funding committed in 2024/2025:

On-Farm Funding Program	Funding committed
Beneficial Management Practices (BMP)	\$6.0M
Extreme Weather Preparedness for Agriculture (EWP)	\$2.0M
Resilient Agriculture Landscapes Programming (RALP)	\$1.9M
Agriculture Water Infrastructure Program (AWP) 'Stream 0'*	\$23.3M
Tree Fruit Climate Resiliency (TFCR)	\$5.0M
Total	\$38.2M

<sup>\*&#</sup>x27;Stream 0' of the AWP Program is delivered through the BMP Program to support 480 producers with addressing drought and water management challenges on their farm.

- AF's environment and climate change programs are largely funded by Clean BC (FY 2022/2023 to FY 2024/2025) and the Sustainable Canadian Agricultural Partnership (S-CAP) (FY 2023/2024 to FY 2027/2028).
- Applications for the 2025/2026 BMP Program opened on January 14, 2025, for some categories, with additional categories opening until March 4, 2025.

- AF's BMP program is delivered by the Investment Agriculture Foundation of BC (IAF) and supports climate change mitigation, adaptation, and environmental sustainability actions on farms.
- Excluding AWP funding, the program committed \$6.0M in 2024/2025 (Table 1).

BMP Category	# Approved	\$ Approved	# Paid	\$ Paid
Planning & Designs	133	\$ 611,481	62	\$ 310,276
Biodiversity	5	\$ 32,139	4	\$ 23,082
Energy & Fuel Efficiency	54	\$ 773,995	41	\$ 600,693
Nutrient & Waste	111	\$ 2,651,333	77	\$ 1,682,794
Riparian & Grazing	48	\$ 1,532,732	31	\$ 965,630
Soil Carbon	25	\$ 470,769	19	\$ 356,476
Total	376	\$ 6,072,449	234	\$ 3,938,951

- The Province (Clean BC) has contributed \$3M annually to BMP program for three years from 2022/2023 to 2024/2025.
- Starting in 2025 there will be a maximum funding limit of \$100K per farm for the remainder of S-CAP (March 31, 2028), with the exception of Water Infrastructure BMPs which have a \$200K cap.
- EWP program is delivered by IAF and was established in 2022 to support farmers and ranchers with on-farm preparedness for wildfire, flooding, and extreme heat events.

The program committed \$2M in 2024/2025 (Table 2).

Stream	# Approved	\$ Approved	# Paid	\$ Paid
Heat	66	\$ 1,535,021	37	\$ 894,004
Flood	4	\$ 136,847	1	\$ 33,460
Wildfire	23	\$ 63,351	8	\$ 11,056
Innovation	3	\$ 66,886	0	\$
Total	96	\$ 1,802,105	46	\$ 38,520

- The program was supported exclusively by a three-year Clean BC funding commitment (2022/2023 to 2024/2025), specifically through the Climate Preparedness and Adaptation Strategy (CPAS).
- With the completion of the CPAS funding term, there are currently no plans to continue the EWP program next year.
- RALP is part of S-CAP and supports on-the-farm practices that improve soil health, sequester carbon, support biodiversity, and enhance ecosystems. RALP funding is based on an ecological goods and services payment model that provides payments on a per-acre basis via land use agreements with producers.
  - In B.C., RALP funding is delivered via two sets of programs:
    - Farmland Advantage, delivered by IAF, works with farmers to provide \$1.2M per year from AF to enhance ecosystem services by assessing and improving the health of targeted ecosystems on B.C. farmland through restoration and enhancement measures, funding 53 projects through 2024/2025.
    - Delta Farmland and Wildlife Trust has a set of programs, through which AF directed \$700K in FY 2024/2025 to support sustainable farming practices across the lower Fraser Valley, funding 61 farms through 2024/2025.
- Initially launched in June 2023 with \$20M in cost-shared funding, AWP received an additional \$80M in March 2024 to support on-farm and larger-scale community-led water infrastructure planning and implementation (e.g., storage infrastructure, conveyance systems, irrigation systems).
  - \$23M of the \$80M is delivered for on-farm projects via the Beneficial Management Practices (BMP) Program, also referred to as Stream 0 of AWP (small-scale, on-farm producer projects).
  - See the Access to Water Estimates Note for information about funding and commitments through the other four streams of AWP.

- The Tree Fruit Climate Resiliency Program invited eligible tree fruit producers to apply for a cost-shared funding opportunity that aims to increase farm-level resilience and preparedness for extreme weather events that threaten the competitiveness of B.C.'s tree fruit sector.
  - The program provides 80 percent cost-share funding of up to \$125K of eligible costs for eligible projects up to a maximum of \$100K per farm business.
  - The application intake opened and closed in January 2025.

### **CROSS JURISDICTIONAL COMPARISON:**

- All Canadian provinces offer some version of a BMP program to producers.
- All Canadian provinces are delivering some form of RALP funding since the start of the S-CAP in 2023-2024.
- B.C. is invested in supporting beneficial management practices for adaptation and resilience to extreme weather events.

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

In 2024/25

- For BMP, 376 applications approved with \$6M in cost-share funding for on-farm projects.
- For EWP, 96 applications approved with \$2M in cost-share funding for on-farm projects.
- For RALP, AF committed \$2M for on-farm projects.
- For AWIP, 480 applications approved with \$23M in cost-share funding for on-farm projects, delivered through the BMP Program.
  - The \$23M was in addition to the \$6M of other on-farm projects delivered through the BMP program.
- For the Tree Fruit Climate Resiliency Program, \$5M is being committed to on-farm projects.

For FY 2025-2026, \$5.9M is allocated for continued support on climate and environment onfarm projects:

- \$4.0M for BMP.
- \$1.2M for RALP Farmland Advantage.
- \$0.7M for RALP Delta Farmland and Wildlife Trust programs.

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### Climate and Environment: Extension

#### RECOMMENDED RESPONSE:

- Under the Ministry of Agriculture and Food's (AF) Extension Program this year, a total of 34 environment and climate extension projects were initiated in partnership with nine local organizations, representing a \$1.5M investment for the sector in 2024.
  - Since 2023, the Extension Program has engaged over 2100 participants in extension events and produced over 130 extension publications and three videos.
  - Examples of extension projects include:
    - On-farm demonstration research to promote regenerative and climateadaptive practices with producers in the Fraser Valley and Sea-to-Sky region.
    - A provincial series of workshops and demonstrations about the foundations of soil and nutrient management.
    - Translation of existing extension resources to reach Spanish and Punjabispeaking producers and workers.
- AF provided approximately \$100K in 2024/2025 to more than 20 organizations, under the Knowledge and Technology Transfer Program (KTTP), to host climate and environment extension events with over 1,500 total attendees.
- The Environmental Farm Plan (EFP) Program offers on-farm extension to all agricultural producers and AF has provided \$4.12M in funding from 2018 to 2024.
  - EFP Program helps producers identify opportunities to take climate action, improve environmental sustainability, and provides access to cost-share funding opportunities.

- AF's Extension Program is a five-year producer-focused research and extension program, initiated in 2023, that supports producers in adopting beneficial management practices that make their operations more climate resilient, sustainable and economically viable.
  - The program is built from past work completed under AF's Climate Change Adaptation Program (CCAP) and has been guided by ongoing engagement with the B.C. agriculture sector in 2023.
  - The extension activities delivered through this program address key areas such as soil health, greenhouse gas emissions reduction, water management, riparian and habitat management, wildfire mitigation, and extreme weather preparedness.
  - These projects are largely funded by the Sustainable Canadian Agricultural Partnership (S-CAP) and Clean BC.

- KTTP is an S-CAP funded cost-shared reimbursement program with a total budget of \$225K in 2024/2025. KTTP supports B.C.'s agriculture and food sector by funding external organizations to host knowledge development and hand-on extension events.
- With a five-year budget of \$6M under S-CAP, EFP Program provides on-farm extension
  to all agricultural producers, helps producers identify opportunities to take climate
  action, improve environmental sustainability, and provides access to cost-share funding
  opportunities through the Beneficial Management Practices program (see Estimates
  Note, Climate and Environment: On-Farm Funding).
  - On average, 472 farmers receive EFP services per year, covering more than 98K hectares of farmland.
- In addition, the Agricultural Climate Action Research Network (ACARN) drives
  collaboration among researchers, government, and producers. AF provided funding to
  ACARN for inventorying regional climate/environment extension projects, delivering
  provincial workshops, and facilitating translation of agricultural research for grower
  audiences.

### **CROSS JURISDICTIONAL COMPARISON:**

- AF's regional extension efforts build on past work completed under the ministry's CCAP which has been recognized both nationally and internationally as a leader for climate change adaptation extension support services.
- Every provincial government in Canada has some version of EFP and KTTP programs that are funded by S-CAP.

- AF spends \$1M to 1.5M per year in climate and environment extension programming.
- The EFP Program will continue with an annual budget of \$1.15M with S-CAP funding.
- Continued funding for climate and environment extension activities under KTTP are anticipated for next year, with a total program budget of \$150K being allocated under S-CAP funding.
- AF had provided \$300K of funding to support ACARN extension activities, including the publication of 20 climate extension research briefs and hosting four workshops with over 500 attendees.

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### Climate Resilience and Emergency Preparedness for Food Security

### **RECOMMENDED RESPONSE:**

- Drought, fire, and flood events are increasing in frequency and severity. In response, the Ministry of Agriculture and Food (AF) has taken a more active role in helping the sector prepare for and manage disasters impacting agriculture.
- Measures underway for hazard mitigation and preparedness include:
  - Continuing the Extreme Weather Preparedness for Agriculture Program;
  - Committing over \$150 million in new funding towards initiatives that will help us build a more climate resilient food system in British Columbia (B.C.) in 2023; and
  - Expanding extension programs to help farmers become more climate resilient (e.g., leading a successful province-wide joint effort between the Ministry of Water, Land and Resource Stewardship [WLRS] and AF last Spring to prepare farmers for the 2024 drought season).
- A highlight of this effort was the \$20 million Food Security Emergency Planning and Preparedness Fund that B.C.'s agriculture sector used to become prepared for disasters like the 2021 atmospheric river or the recurrent wildfires we have seen.
  - One example of the work coming out of this funding is the BC Agriculture Council training agricultural coordinators who can be embedded into local emergency operations centres during disasters. That is a very tangible improvement to how farmers and ranchers are supported during disasters that we are working with the sector, local governments and the Ministry of Emergency Management and Climate Readiness (EMCR) to roll out.
- We are also working closely with First Nations communities to help them in improving their food security through the \$30 million Indigenous Food Security and Sovereignty Fund.

- In Canada, emergency management is led by local authority's emergency programs in coordination with senior government's emergency management agencies. In B.C. this is EMCR.
- AF supports EMCR by assisting agricultural producers with emergency preparedness and by mobilizing AF staff during emergencies that impact the sector, in particular by:
  - Supporting response efforts for the agricultural sector,
  - Leading response to threats posed by animal and crop diseases or pests, and
  - Offering AF programs that are critical to animal welfare, such as food safety, premises identification, and disease surveillance/biosecurity programming.

- While the 2022 AF mandate letter referenced an "Emergency Preparedness for Food Security Strategy," current work focuses on tangible supports for the sector, and modernizing emergency planning under the *Emergency and Disaster Management* Act, under which assessing food security risks is required by regulation.
- AF staff have developed foundational information on food security in B.C. by:
  - Working with partner ministries to embed the value of agriculture and food security in emergency management policies, programs, and legislation,
  - Supporting the First Peoples Food Sovereignty Table, co-led with the First Nations Health Authority (FNHA), and
  - Contracting with academic experts and transportation economists to develop mapping and assessment tools for understanding vulnerabilities in the B.C. food supply-chain.

### **CROSS JURISDICTIONAL COMPARISON:**

- Most Canadian jurisdictions offer similar climate resilience funding to B.C. under the Sustainable Canadian Agricultural Partnership (S-CAP) such as premises identification, beneficial management practices, and agriculture emergency planning tools.
- However, B.C. is funding unique initiatives outside of S-CAP such as the Extreme
  Weather Preparedness for Agriculture Program, the Food Security Emergency Planning
  and Preparedness Fund and the Fraser Valley Flood Mitigation Fund.

- Climate Resilience, Competitiveness and Reconciliation Division
  - Emergency Management Branch eleven Full Time Equivalents (FTEs) dedicated to providing emergency preparedness outreach, coordination, and emergency response support to producers, local governments, and other federal or provincial agencies.
  - Food Security and Climate Strategies Branch 0.3 FTE dedicated to developing policy and coordination related to resilience for food security.
  - Indigenous Partnerships and Reconciliation Branch one FTE dedicated to coordinating food security initiatives and tables for First Nations and Indigenous Peoples.

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### **Progressive Penalties for Milk Industry**

### **RECOMMENDED RESPONSE:**

- High quality milk standards in British Columbia (B.C.) protect public health and ensure the long-term success for B.C.'s dairy industry.
- In B.C., milk quality standards and the penalty structure for producers who supply substandard milk are regulated through the Milk Industry Act (MIA) and the Milk Industry Standards Regulation (MISR).
- The B.C. Milk Marketing Board (BCMMB) intends to implement a new penalty policy for milk quality called the Progressive Penalty Program (PPP), which is intended to reduce the frequency of on-farm milk quality issues.
- The main difference between the current penalty framework and the PPP is how
  penalties for substandard milk are applied: under the PPP, each batch of milk is tested
  and penalized individually, instead of calculating a monthly weighted average. This
  system has tiers of penalties, with producers moving up the tiers based on how many
  contraventions they receive in a rolling 12-month period.

- The Ministry of Agriculture and Food (AF) is responsible for administering the current penalty framework for substandard milk under the MIA.
- The BCMMB promotes, controls, and regulates many activities associated with supplymanaged milk products in B.C., including administering the producer licensing framework and coordinating on-farm milk pick-ups and deliveries to processors, among other activities.
- Section 58 of the MISR requires samples to be taken from each batch of milk that is
  picked up on-farm from a producer, with the quality of each sample then being tested.
- Testing of these samples determines the counts for four quality parameters: somatic cells, individual bacteria, the presence of inhibitors, and water dilution. Section 112.1 of the MISR dictates acceptable levels for each of these parameters.
- Under the current penalty framework, test results are calculated into a weighted average over the course of a month to determine if penalties are warranted. Penalties are assessed on a rolling 12-month basis, escalating from a warning, to fines, to license suspension. The issuance of penalties is triggered automatically in the MISR.
- The BCMMB has notified the AF that on-farm milk quality problems can negatively impact truckload milk quality and has proposed implementing the PPP to address this issue.
- On May 6, 2022, the BCMMB provided a notice to producers ("Notice to Producers") to announce its intention to implement the PPP in B.C., outline the new penalty framework, and invite feedback from industry actors until July 31, 2022.
- In Spring 2023, the AF began consultations with the BCMMB to discuss the implementation of the PPP. Consultations are ongoing.

 The BCMMB recently released their 2024-2028 Strategic Plan which identifies their intention to bring in PPP by December 31, 2025, if it is approved by the Board. The BCMMB will only be bringing in the operational aspects of PPP, not the penalties, until Government has made the necessary regulatory changes.

### **CROSS JURISDICTIONAL COMPARISON:**

- The PPP is part of the Western Milk Pool's (WMP) strategic plan and has already been adopted by the WMP's other three member provinces, Alberta, Saskatchewan, and Manitoba. Part of the BCMMB's desire to implement the PPP is to ensure the same milk quality requirements across all the Western provinces.
- AF is currently responsible for administering the penalty framework in B.C., which is different from Alberta, Saskatchewan, and Manitoba, who have all delegated this to their respective milk boards.

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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### **Western Dairy and Vitalus**

### RECOMMENDED RESPONSE:

- The Ministry of Agriculture and Food (the Ministry) has been engaged by the British Columbia Milk Marketing Board (BCMMB) on developing a new Western Milk Pool (WMP) agreement.
- The British Columbia Farm Industry Review Board (BCFIRB), the provincial supervisory body for the BCMMB, has also been engaged by BCMMB on this new agreement.
- In 2024, based on feedback from BCFIRB, the BCMMB shifted away from the Western Milk Transformation Initiative (WMPTI) to a collaboration initiative, with a focus on cooperative efforts such as Memoranda of Understanding (MOUs), project charters, terms of reference (TOR) and cost-sharing agreements.
- Under British Columbia's (B.C.) legislative scheme, to enter into any agreement with a federal board, the BCMMB requires approval from the Minister of Agriculture and Food, and separately from BCFIRB.
- As this collaborative initiative progresses, Ministry staff will continue to work with BCFIRB, the BC Dairy Association (BCDA), and BCMMB to ensure that the program objectives are met while operating within the prevailing legislative requirements.
- In 2025, BCMMB began conducting its legislatively required review of the appropriateness and adequacy of its powers and duties. BCMMB's engagement plan includes consultation with the Milk Industry Advisory Committee, B.C. milk producers and processors, BCFIRB, and the Ministry.

- Per the authority provided to it under the Natural Products Marketing (BC) Act, the BCMMB is the provincial regulator of the production, transportation, packing, storing, and marketing of milk, fluid milk and manufactured milk products within B.C.
- Under supply management, production and price setting are controlled by the federal Canadian Dairy Commission (CDC) and provincial milk boards and supervisory boards.
- BCFIRB is the independent provincial body that supervises BCMMB and ensures
   BCMMB decisions, for example on pricing and quota, fulfill sound marketing policy in the public interest, per the legislative framework.
- BCFIRB is also the administrative tribunal that hears appeals of BCMMB decisions, for example, if a milk producer felt unfairly impacted by a BCCMB decision.
- The dairy industry in B.C. is also supported by its advocacy agency, the BCDA.
- The WMP was established in March 1997 and is an agreement between the milk boards in the four Western provinces (Manitoba (MB), Saskatchewan (SK), Alberta (AB), and B.C.) and CDC to enable the sharing of returns and markets for all milk classes and to manage the financial risks associated with the trends in domestic markets.

- In Fall 2022, the BCMMB and the AB, SK and MB milk boards, all agreed in principle to a new partnership, known as the WMPTI, that will see areas of common concern addressed through a new WMP agreement.
- The WMPTI initially intended to transform from an operational board to a governing board with members representing each of the organization partners. To support transformation to this WMPTI model, the WMP governing board appointed a Chief Executive Officer in June 2023.
- Unlike B.C., which has the BCMMB and BCDA serving separate functions, the AB, SK and MB milk boards all operate as combined entities (each serving both regulatory and advocacy functions).
- Under the initial WMP agreement, as part of the WMPTI, BCDA had intended to enter a
  partnership with the BCMMB through a MOU, to collaborate in the WMP on regulatory
  and non-regulatory issues such as emergency preparedness, marketing, and nutritional
  education. The two organizations hired a single Executive Director that served dual
  roles and supported greater collaboration and integration.
- However, due to conflict-of-interest concerns raised by BCFIRB, the Executive Director initially hired in a shared role is now solely an employee of, and only reports to, the BCMMB.
- Additionally, due to BCFIRB's concerns regarding the proposed governance model of the WMPTI being outside the legislative framework, the WMPTI has been discontinued. However, efforts to establish a new WMP agreement will continue in a way that improves collaboration within B.C.'s regulatory framework.
- As part of this new agreement, collaborative projects will be assessed based on alignment with mandates and feasibility through cooperation, with supporting documentation (MOUs, project charters, TOR, and cost-sharing agreements) being developed. The WMP board's role is now consultative, and the planning phase of a revised WMP agreement remains ongoing.
- Under Section 7(2)(c) of the B.C. Milk Marketing Board Regulation (BCMMB Regulation), the provincial board (BCFIRB) and the Minister must approve any agreement between the BCMMB and the federal board. Since the CDC is a signatory of the new WMP agreement, the BCMMB must obtain prior approval from both the Minister and BCFIRB before entering into a new agreement.
- The WMP has also recently invested in Dairy Innovation West (DIW), a dairy
  concentration facility planned for construction in central AB. DIW will remove most of
  the water from milk used for cheese, yogurt, and other products. This will reduce its
  volume and provide some transportation cost savings because the number of trucks
  required to transport the concentrated milk components from DIW to other processing
  plants will decrease. DIW is also intended to increase milk processing capacity, which in
  turn is intended to support quota growth and increase producer revenue.
- In 2020, the Dairy Industry Development Council (DIDC), which is overseen by the BCDA, received Ministry approval for an amendment to the DIDC Development Plan to allow for direct investment in DIW.
- While DIW is owned by the WMP it will be operated by Vitalus Nutrition Inc. (Vitalus).

- Vitalus is an international supplier of specialty ingredients to large processing companies and major consumer brands.
- Vitalus headquarters are in Abbotsford, and they are set to expand their facility with construction beginning in 2025. Once completed, it will be the largest dairy processing facility in North America and increase B.C.'s milk processing capacity by 50 percent.

### Powers & Duties Review

- Under Section 9 of the BCMMB Regulation, the BCMMB has an obligation to review the continued appropriateness and adequacy of its section 7 powers and duties every three years, and to report its findings to BCFIRB.
- The last review concluded on August 18, 2022, and the next review is due by August 18, 2025, to BCFIRB. As per the legislation, BCMMB is required to consult with BCFIRB, the Ministry, and the Milk Industry Advisory Committee as part of this review process.

### **CROSS JURISDICTIONAL COMPARISON:**

 Prince Edward Island, Nova Scotia, New Brunswick, Québec, and Ontario have a similar agreement to the WMP under the Agreement on Eastern Canadian Milk Pooling (P5 Agreement). Under the P5 Agreement, these provinces share revenues and costs for milk sales, transportation, marketing, and skim off. The P5 Agreement also provides for harmonization on provincial dairy policies regarding pricing, quota, and coordination.

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

DIW is expected to decrease transportation costs and increase revenues for producers.

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### **Drought Response**

### **RECOMMENDED RESPONSE:**

- Persistent drought conditions in recent years have presented significant challenges for agricultural producers across British Columbia (B.C.).
- The Ministry of Agriculture and Food (AF) is working hard with the Ministry of Water, Land and Resource Stewardship (WLRS) to enhance drought preparedness and response and improve drought-related communications and engagement, and we've received a lot of positive feedback from industry and producers.
- AF will continue to work closely with WLRS to ensure that the impacts to our sector are understood and fully considered in drought response decision-making processes.
- AF continues to deliver a wide range of planning tools, extension activities and funding programs to help producers prepare, respond, recover, and adapt to water scarcity.
- Producers are encouraged to proactively participate in Business Risk Management programs such as Production Insurance and AgriStability to protect their business from climate-related risks.

#### **BACKGROUND:**

### Cross-Agency Roles and Responsibilities in Drought Response

- WLRS is the primary agency responsible for provincial water allocation and management, including water policy, watershed planning, water licensing and permitting, and drought response (e.g., coordination, regulatory response actions).
- The Water Hazards Sub-Committee coordinates year-round cross-government efforts on water hazard planning and response. Executive Directors from multiple ministries, including AF, participate. WLRS is preparing a 2024 drought debrief report for the committee, incorporating submissions from AF and agriculture industry associations.
- AF is committed to collaborating with WLRS and advocating for B.C.'s agriculture sector.
   AF staff actively engage in Provincial and Regional Technical Drought Working Groups,
   Drought Advisory Tables, and local watershed groups to ensure agricultural interests
   are effectively communicated to WLRS, other agencies and local governments. In some
   watersheds, Indigenous governments are actively engaged in these processes.
- The demand for AF staff time to help producers prepare for and respond to drought is expected to grow as drought conditions in B.C. become more frequent and severe.

### **Drought Response Actions**

- Over the last decade, declining streamflows have led to the use of drought response actions under the Water Sustainability Act (WSA) to sustain vulnerable fish populations.
- WLRS drought response actions to restore streamflows have included issuing unauthorized use orders to unlicensed water users (including many agricultural

- operations), voluntary use reduction letters, and, as a last resort, temporary curtailment orders for licensed water users.
- Fish Population Protection Orders (FPPOs), a type of temporary protection order (TPO) enabled under WSA, have been issued by WLRS in several watersheds (e.g., Koksilah River, Salmon River, Tsolum River, and Bessette Creek) to temporarily curtail water use to protect fish populations. These orders do not require consideration of water rights precedence (e.g., First in Time, First in Right) but must consider the needs of agricultural water users. They have primarily been issued to larger-volume water users, including forage irrigators and some industrial users, to restore flow as quickly as possible.
- When WLRS considers implementing a FPPO, AF evaluates the economic impacts from a
  water use shutdown (e.g., potential value of crop loss) to inform WLRS decisions. In
  2024, AF refined its analysis methods with input from agricultural associations.
- Before implementing an FPPO, WLRS encourages water users to voluntarily reduce water use to delay or avoid regulatory action. In 2024, AF enhanced efforts to share information on drought and voluntary reduction requests with agricultural water users.

### **Drought Extension, Communication, and Agricultural Sector Supports**

Working with the agricultural sector, AF staff have expanded extension activities to build drought resiliency (\$3M allocated in March 2024) including:

- Drought resources, workbooks, and factsheets to help producers prepare for and manage drought which are available on our Drought in Agriculture webpage and advertised via AgriServiceBC e-bulletins.
- Online tools to support on-farm drought preparedness, such as AF's new weather station network (BC AGRI Weather), the Agricultural Irrigation Scheduling Calculator, and the new Dugout Calculator integrated into the BC Agriculture Water Calculator.
- Using diverse communication methods to share information on drought conditions, provincial response actions, financial support, resources, and extension activities, including regional and special AgriServiceBC e-bulletins, Facebook posts, radio and TV spots, flyer and letter mailouts to over 24K recipients.
- Hiring Agricultural Water Resource Consultants in high-risk areas:
  - Contractors in the Salmon, Bessette, Koksilah, and Tsolum watersheds facilitated communication with producers and explored community-based solutions to address water scarcity, such as coordinated water use scheduling to reduce impacts to streamflows.
  - Contractors in the Lower Mainland (Fishtrap and Bertrand watersheds) are focused on raising awareness about water licensing and drought response while encouraging and assisting producers in applying for water licences.
  - A contractor in Creston was hired to help improve districts identify infrastructure needs and secure funding for drought adaptation.

- Workshop and engagement sessions including:
  - Drought Management for Livestock and Forage Producers: Workshops focused on animal nutrition, forage management, and business decisions during and after drought (16 sessions offered to date).
  - Decoding Drought engagement sessions: Co-delivered with WLRS in early 2024 to explain drought levels, WLRS response actions, and foster constructive dialogue with agricultural communities (30 sessions). The Business Risk Management Branch promoted program participation at many of these events.
  - Agricultural Water Management workshops: Addressed irrigation system design, scheduling, water storage options, and optimizing on-farm water use efficiency (17 sessions provided Fall 2023 to Spring 2024).
  - Irrigation Field Days: Provided producers with knowledge and tools to implement efficient irrigation practices (10 workshops held to date).
  - Water Storage Field Days: Field days and workshops led by the Irrigation Industry Association of B.C. to discuss opportunities for on-farm water storage (seven sessions held to date).

### **Funding Programs to Support Drought Resilience**

 Initially launched in June 2023 with \$20M in cost-shared funding, the Agriculture Water Infrastructure Program (AWP) received an additional \$80M in March 2024 to support on-farm and community-led water infrastructure planning and implementation projects. Refer to Estimates Note - Access to Water for more information.

### **CROSS JURISDICTIONAL COMPARISON:**

N/A

- AF provides extension to the agricultural sector to build drought resiliency (\$3M allocated in March 2024).
- AF has allocated \$100M for the Agriculture Water Infrastructure Program (Refer to Estimates Note Access to Water for more information).

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### Wildfire Impacts 2024

### **RECOMMENDED RESPONSE:**

- Under the Emergency and Disaster Management Act, the Ministry of Agriculture and Food (the Ministry) is committed to supporting producers by coordinating the emergency evacuation and care of poultry and livestock, providing advice on the protection of crops, livestock and provincially managed fish and marine plant stocks, and inspecting and regulating food quality.
- The Ministry's Business Risk Management Branch manages five permanent insurance and income assistance programs which support producers by buffering them from the impacts of disasters and emergency events.
- In 2023, the Ministry expanded the Emergency Management Branch (EMB) to support the preparedness, mitigation and response to emergency incidents facing the agriculture industry by including the BC Premises ID Program (BCPID).
- Ministry staff provided support to local authorities, First Nations and other response agencies (Ministry of Emergency Management and Climate Readiness, Canadian Food Inspect Agency, Ministry of Environment and Parks) throughout the course of the year for a variety of natural hazard incidents.

- While the 2023 wildfire season had been the most destructive in British Columbia (B.C.)'s recorded history with more than 2.84 million hectares of forest and land burned, the 2024 wildfire season had approximately 1.08 million hectares burned.
  - 2024 had 33 fires with agriculture impact versus 59 in 2023
  - In 2024 168 B.C. Premises were impacted versus 600 in 2023
  - 16 Local Authorities/First Nations were impacted in 2024 versus 28 in 2023
- The rancher liaison program launched during the 2022 wildfire season in partnership with the BC Wildfire Service (BCWS), continued in 2024 and was deployed to areas with active wildfires to directly support BCWS and Incident Management Teams as a conduit between ranchers and BCWS.
- EMB delivered 12 outreach workshops in the spring of 2024 for local authorities covering agriculture emergency response. The sessions were attended by over 30 local governments/First Nations and over 200 attendees.
- EMB provided ongoing support when called upon by partners to aid impacted agricultural producers throughout the province in a variety of small-scale events:
  - Monitoring provincial events through the freshet and wildfire season and reporting agriculture industry impacts, providing direct support to producers, and responding agencies accordingly.
  - Supporting Provincial Regional Emergency Operations Centres (PREOC) and Regional District Emergency Operations Centres (EOC) with Livestock Relocation activities.

### ESTIMATE NOTE- FISCAL 2025/26

### Ministry of Agriculture and Food

Confidential Advice to Minister

- Supporting BCWS led Incident Support Groups (ISG) during the wildfire season to provide advanced planning support from an agriculture industry perspective.
- Providing local government with a list of Agriculture Contractors to serve as agricultural liaison in their EOC.
- Support partner agencies and local government with BCPID requests.

### **CROSS JURISDICTIONAL COMPARISON:**

N/A

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

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### **Farmers Information Service**

### **RECOMMENDED RESPONSE:**

- The Farmer Advocate Office (FAO) expired in 2018 after providing landowners in the Peace Region with information on oil and gas surface leases and right of way access since 2010. FAO officially closed July 1, 2019.
- A new contract with a new service provider was put in place December 1, 2020, to launch the Farmers Information Service (FIS). The contract was initially extended to March 31, 2022, and then subsequently extended to March 31, 2023, under a reduced workplan and budget. The current contract was put in place as of May 9, 2024.
- 2021 saw limited use of FIS because of multiple factors including a downturn in the oil
  and gas sector, Covid-19, and the ongoing work to develop assessment and
  management processes related to cumulative impacts of industrial development
  following the Blueberry River First Nations (Yahey) ruling. This reduced demand and
  informed the revised workplan and budget used in the FY 2022/2023, FY 2023/2024,
  and FY 2024/2025, and led to the use of an hourly pay rate over a flat rate in the
  2024-2025 contract.
- Although there was limited use of the service in its earlier years, there has been a
  marked increase in its use over the course of the FY 2024/2025. This change is in
  tandem with an increase in oil and gas activities in the Peace Region; a trend that is
  expected to continue over the next several years.
- The Ministry of Agriculture and Food (AF) and the Ministry of Energy and Climate Solutions (ECS) are exploring the options to continue the service for FY 2025/2026 based on performance and demand.

- In 2009, ECS, AF, and the Peace River Regional District (PRRD) started FAO with the intention of improving relationships between rural residents and the oil and gas sector by providing landowners with information on surface leases and right of way access.
- Funding for the management and implementation of FAO was cost shared by ECS and PRRD between 2010 and 2018, where each party provided 50 percent of the funding to the maximum program costs of \$270K per year.
- This cost sharing agreement expired in June 2018. At that time the PRRD Board asked that ECS and AF take on the full responsibility of funding FAO.
- In 2019, the delivery mechanism was re-evaluated during which FAO was not active.
- ECS, AF, and PRRD recognized the value that the initiative provided to landowners and worked on updating the functions of the office to reflect evolving operational needs.
- On February 4, 2020, AF, ECS, and PRRD signed a Memorandum of Understanding (MOU) to revitalize this important service.

- Highlights of the changes implemented during revitalization included:
  - Changing the name from FAO to FIS to reflect the overall mandate to be a source of information for rural landowners.
  - FIS management continued through a management committee.
  - AF took on the administrative functions of FIS including drafting of MOU, overseeing the procurement process, and holding the contract with the successful proponent.
  - The contractor was contracted from December 1, 2020, to oversee FIS.
    - FY 2020/2021 \$180K (AF and ECS each contributing 33 percent and PRRD and BC Energy Regulator (BCER) each contributing 16 percent).
    - FY 2021/2022 \$180K (AF and ECS each contributing 33 percent and PRRD and BCER each contributing 16 percent).
  - After low usage reports during FY 2021/2022, PRRD and BCER decided to withdraw funding. The service was thereafter funded solely through AF and ECS, while continuing to be administrated by AF and managed via a management committee. The overall budget was also decreased to reflect the decrease in oil and gas activity.
    - FY 2022/2023 \$78K (AF and ECS each providing 50 percent)
    - FY 2023/2024 \$78K (AF-and ECS each providing 50 percent)
    - FY 2024/2025 \$78K (AF and ECS each providing 50 percent)
  - AF has reached out to BCER regarding for support in expanding the program, with future follow up scheduled for spring.

### **CROSS JURISDICTIONAL COMPARISON:**

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

### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

FIS budget for FY 2024/2025 is \$78K with AF and ECS each providing 50 percent.

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### **FARMERS INSTITUTES**

#### **RECOMMENDED RESPONSE:**

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

#### **BACKGROUND:**

- Farmers Institutes are independent organizations that may be incorporated or continued under the Farmers and Womens Institutes Act. They are similar to, but distinct from, Societies incorporated under the Societies Act.
- Farmers Institutes have existed since the late 1800s under a variety of legislation.
   Institute and member numbers have declined overall in past decades as other forms of farm organizations have arisen and as the farm population has declined. However, some regions have recently seen increased interest in Farmers Institutes. Two new Farmers Institutes were incorporated in 2024.
- Approximately 43 active institutes with an estimated total of 1,800 members are or were
  recently in good standing under the Farmers and Womens Institutes Act. Membership is
  diverse but may include a mix of farmers and non-farmers within an institutes area.
- Institutes vary widely in size, composition, interests, and level of activity.
- The Minister convened standalone BC Farmers Institute events in 2018 and 2019 to
  provide opportunities for institute representatives to interact and share information
  directly with each other. An on-line event was convened by the Superintendent in 2024.
  AF staff coordinated and facilitated these events.
- AF funded development and operation of a non-government web platform in 2019 to allow institutes to connect to and share information more easily with each other and the public.

### **CROSS JURISDICTIONAL COMPARISON:**

N/A

- AF provided approximately \$22K in 2018 and \$20K in 2019 to support standalone BC Farmers Institute events convened by the Minister.
- AF provided approximately \$41K for the design and development of the BC Farmers
   Institute website in fiscal year 2019/2020 and an additional \$5K for website
   maintenance and updates in each of fiscal years 2020/2021, 2021/2022, 2022/2023,
   2023/2024 and 2024/2025.
- Website maintenance and updates budget for fiscal year 2025/2026 is \$5K.
- Multiple AF staff engage with and support institutes regularly via an appointed Superintendent (Angela Boss) to administer the legislation; annual reports receipt and filing; knowledge transfer events; information gathering and dissemination.

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# RISING INPUT COSTS AND INFLATION: PRIMARY PRODUCERS AND FOOR PROCESSORS

### **RECOMMENDED RESPONSE:**

- While the growth of operating expenses began to slow in 2023 after spiking at the
  onset of the pandemic, high input costs such as the cost of feed, fuel, fertilizer, wages
  and other inputs, coupled with an uncertain operating environment, continue to be a
  concern for B.C.'s producers, processors, and the entire supply chain.
- The Ministry is working closely with the agriculture and food processing industry to continue to understand input costs, cost of production, and approaches to increase sector competitiveness and profitability.
- A wide array of agriculture related programing is supported by both the Province and Government of Canada, including the Sustainable Canadian Agricultural Partnership (S-CAP), to strengthen the agriculture and agrifood sector.
- For primary producers, the AgriStability program is available to help manage significant financial risks, such as rising input costs or declines in revenue, that threaten the viability of their farms and are beyond their capacity to manage.
- To enhance economic sustainability, the federal, provincial, and territorial (FPT)
  ministers of Agriculture agreed to raise the AgriStability compensation rate from 70 to
  80 percent.
- B.C. is a strong advocate for national program improvements and will continue its work with federal, provincial, and territorial partners to improve AgriStability nationally. We will continue to consult with industry on a new AgriStability model that will be faster, simpler, and more predictable.

- The growth of operating expenses began to slow in 2023 after spiking at the onset of the pandemic, registering only a 3.1 percent rise compared to 2022.
  - Several factors contributed to the spike in costs following the pandemic and include but are not limited to increased demand, production shortages, increased costs of production and processing, including higher costs for labour; supply chain disruptions due to transportation, labour disruptions, and environmental emergencies; geopolitical sanctions; and increased costs of transportation and distribution.
- Fertilizer, fuel and feed prices have started to reverse their upward trend, and a wide range of other expenses are increasing – most notably interest payments and livestock purchases, and so total expenses continue to rise.
- Expenses for fuel and fertilizer, two of the largest inputs in agricultural production, fell by 14.0 percent and 20.3 percent, respectively, from 2022 to 2023.
- Wage expenses experienced a 2.5 percent increase.

- Most significantly, there was a 39.7 percent increase in total interest payments on outstanding debt, which reached \$9.7 billion in 2023.
- Businesses in the livestock and poultry industries were affected by a 49.0 percent rise in the cost of purchases, which were passed in part to consumers.
- Year-on-year changes for all other expenses were small and in single digits (positive or negative) in percentage terms.
- In 2024, AAFC expects wages and interest payments to grow, offsetting declines in expenses related to electricity and fuel, fertilizer, and commercial feed. As input prices continue to stabilize, and as further interest rate cuts are expected from the Bank of Canada, total expenses are predicted to grow at a modest 1.4 percent and 0.9 percent in 2024 and 2025, respectively.
- Above data is from analysis of 2023 Stats Canada Data by Sector Insights and Corporate Initiatives Unit, in the Farm Cash Receipts and Net Farm Income Report.

### **Farm Input Price Index**

- Farm input price inflation has slowed dramatically over the past three years, both in B.C. and nationally.
- The FIPI still shows positive price inflation in B.C., at 2.1 percent, compared to the national average of -0.2 percent.
- The sharpest one-year increases are cattle purchases, machine repairs and production insurance.
- Many costs have declined over the past year: commercial feed (especially grain feed), fertilizer, seeds and fuel; For all but seeds, these drops are roughly in line with national trends.

#### **Food Processors**

- Climate and pandemic-related supply chain disruptions, and recent labour disputes, have disrupted shipments of inputs, outputs, and packaging, resulting in increased overall costs, debt and cashflow issues for processors.
- High living costs in B.C. put upward pressure on wages and input costs across all industries, particularly the food processing industry due to its lower margins, high labour needs, and price-sensitive nature.
- B.C.'s 3,500 food and beverage processing companies are predominantly small businesses; disruptions and cost increases are felt acutely because of the perishability of ingredients and products and the high relative value of their goods.
- High prices and limited availability of industrial land and buildings are making it difficult for processors to acquire or rent suitable and affordable facilities for expansion or storage.
- The Ministry is working closely with the food and beverage processing industry to understand cost increases and needed supports to increase competitiveness and profitability. For example, the B.C. Lean for Food Processors Program helps support businesses to optimize production capacity and decrease waste.

### **Primary Producer Programs**

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

- AgriStability: Program benefits are calculated using income and expense data from farm taxes and provided by the Canada Revenue Agency. Payment is made if the net income (margin) in the claim year falls more than 30 percent below the average of prior years.
  - Large financial losses in a program year are mitigated by AgriStability, allowing producers to adapt to production and market signals. However, AgriStability was designed to not mask long-term changes in market realities and as a result, coverage does decline after three years of consecutive losses.
  - Under S-CAP the AgriStability compensation rate was increased from 70 to 80 percent. In addition, the FPT ministries have agreed to develop a new AgriStability model that will be faster, simpler, and more predictable. The key components of a revised model are: simplified fees, earlier deadline dates, and determining program year margins from program year production and thus abandoning inventory adjustments.
  - For the 2024 year, the B.C. government established the \$15 million 2024 B.C. AgriStability Enhancement Program in response to widespread losses in the farming sector due to catastrophic events. Additional funding increased the AgriStability program compensation rate by 10 percent: increasing AgriStability's 80 percent compensation rate to 90 percent on income declines over 30 percent. It has also increased AgriStability's \$3 million payment limit to \$6.2 million.
- Federal Advance Payments Program (APP) provides farmers access to additional cash
  flow at the start of the production cycle to ensure farmers can purchase inputs to
  maintain production. APP provides access to affordable credit through cash advances
  of up to \$1M based on the expected value of the agricultural product. In June 2022, the
  Minister of Agriculture and Food announced a temporary increase to the interest free
  limits for advances under the APP with the limit increasing from \$100,000 to \$250,000
  for the 2022 and 2023 program years.
- Farm Credit Canada (FCC): Farmers may also secure a commercial line of credit.
- APP and FCC required farmers to enroll in AgriStability and AgriInsurance as security on loans.

### **CROSS JURISDICTIONAL COMPARISON:**

N/A

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## ESTIMATE NOTE- FISCAL 2025/26 Ministry of Agriculture and Food

Confidential Advice to Minister

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N/A

### Feed BC in Health Care and Post Secondary

### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (AF) leads government's Feed BC partnership initiative to increase the use of British Columbia (B.C.) food in public institutions and shift more institutional food spending to purchasing B.C. products.
- Feed BC works with ministries, public institutions and with businesses across the food supply chain to increase the use of B.C. grown and processed foods in health care facilities, post-secondary institutions, K-12 schools, and other government facilities. Our partnerships are the key to Feed BC's success.
- Feed BC partner institutions work towards the goal of spending at least 30 percent of their food budget on B.C. foods.
- Every dollar that our public institutions spend on B.C. food creates a two-fold economic impact on our province through new jobs and Gross Domestic Product.
- Feed BC creates more opportunities for B.C. food businesses to participate in B.C.'s \$415M institutional food service market.
- Feed BC helps businesses diversify and prepare for the institutional food service market and other new markets through business-to-business events, tradeshows, coaching, and training.
- With the U.S. government threatening potential tariff action against Canada, we will continue to work with our Feed BC partners to drive demand for B.C. food and identify opportunities to support business impacted by tariffs.

### Feed BC in Health Care:

- All six regional health authorities are Feed BC partners and are working towards the Feed BC target of 30 percent of total food expenditures from B.C.
- Health authorities reported an average of 28.7 percent of total food expenditure for B.C. food during the previous fiscal year (2023-2024).
- Three Health Authorities (Fraser Health, Interior Health, and Provincial Health Services Authority) reported surpassing the 30 percent B.C. food goal in 2023-2024.
- Recent successes include new customized B.C. products for health care such as soups, cereals, cut produce, sauces, and meats.

### Feed BC in Post-Secondaries:

- Twenty of B.C.'s 25 post-secondary institutions are Feed BC partners.
- Across the Feed BC Post Secondary Institutional (PSI) Partners network, PSIs reported spending 37 percent of their total annual food purchases on sourcing B.C. foods in 2023/24.
- Feed BC's PSI partners reported a collective expenditure of \$16.8M on B.C. food in 2023/24, up from \$13.6M in 2022/23.
- Feed BC's PSI partners actively participate in Feed BC supported business-to-

business events. As a result of these events, PSIs are purchasing new products from B.C. businesses including soups, baked goods, plant-based protein products, beverages and ready-made foods like samosas.

#### BACKGROUND:

- Feed BC was a 2017 Minister mandate letter commitment that was expanded in 2020 and 2022 and renewed in the current 2025 Minister mandate letter.
- Feed BC works within existing trade agreements and provincial policy to help public institutions advance their community impact goals through local B.C. foods.
- Since 2019, Feed BC has formed partnerships with all six B.C. health authorities by
  working with the Ministry of Health (HLTH), with 20 B.C. post-secondaries by working
  with the Ministry of Post-Secondary Education and Future Skills (PSFS) and with all 60
  B.C. school districts through the Feeding Futures program by working with the Ministry
  of Education and Child Care (ECC).
- In addition to existing formal partnerships, Feed BC works with other ministries, including Public Safety and Solicitor General and the Ministry of Citizens' Services. Feed BC continues to be a priority action in provincial impact procurement strategies.
- Despite challenges that have impacted food supply chains over the past few years, including supply chain disruptions and the impacts of inflation, Feed BC partner health authorities and post-secondary institutions have continued to demonstrate their commitment to sourcing B.C. foods and to tracking and analyzing their annual food expenditures to identify new opportunities to use more B.C. foods and beverages.
- With the U.S. government threatening potential tariff action against Canada, the Ministry is working on options to ramp up Feed BC activities to support business impacted by tariffs and continue to partner across the public sector for expanded opportunities to accelerate demand.

## Feed BC support for B.C. food businesses

- Feed BC works to increase the awareness and readiness of B.C. food producers and processors to sell to B.C.'s institutional foodservice market through initiatives like the BC Food Directory, business-to-business events like Pitch and Plate, and market information resources.
- In 2024-25, Feed BC directly supported opportunities for 290 B.C. businesses to prepare for and access B.C. public institutional food service market.
- 960 B.C. products are listed on the BC Food Directory, a free-to-use searchable online database connecting institutional and commercial food purchasers with information about B.C. products.

# **CROSS JURISDICTIONAL COMPARISON:**

B.C. has grown its national and international reputation as a leading jurisdiction in the
promotion of local food in institutions. Other provinces and neighbouring U.S. states
have looked to Feed BC as a model for supporting more local food in public institutions.

- Feed BC takes a 'whole supply chains' approach to building demand for local food in public institutions by amplifying demand from institutional buyers, growing awareness and capacity of B.C. food suppliers, and facilitating business to business connections.
- In Canada, Ontario, Quebec and New Brunswick are currently involved in initiatives inline with Feed BC's objectives for encouraging more local foods in public institutions.
- Quebec's Strategy for Purchasing Quebec Food has a goal of 85 percent of Quebec public institutions setting their own targets for purchasing local food, whereas B.C. has set a universal target of 30 percent local food for institutions that commit to Feed BC partnership.

- In 2024-25, Feed BC was supported by 5 Full Time Equivalent (FTEs) staff in AF's Food and Beverage branch.
- In 2024-25, Feed BC base budget operational spending was \$364k (including funding for Feeding Futures K-12 School Food Program support).
- In 2024-25, \$193K of Sustainable Canadian Agricultural Partnership funding was used by Feed BC to support B.C. food businesses' readiness to sell to institutional markets.

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# Feeding Futures and Feed BC in K-12 schools

#### **RECOMMENDED RESPONSE:**

- Through Feed BC, the Ministry of Agriculture and Food is working with the Ministry of Education and Child Care to support school districts, schools, and schools' community partners to incorporate B.C. food into Feeding Futures-funded school food programs.
- Feeding Futures is an unprecedented, significant provincial 3-year investment (2023-2026) of \$214M into school food programs that was announced in the 2023 Budget and is delivered through the Ministry of Education and Childcare (ECC).
- Supporting school food programs across the province aligns with current government priorities of reducing costs for families, growing the economy by creating good jobs across B.C. and strengthening our regional food systems.
- Many B.C. school food programs are already working with B.C. farms, food hubs, and community partners to purchase B.C. food including locally sourced soups and readymade entrees, fresh produce, dairy, protein, baked goods, and snack foods.
- As B.C.-wide school food programs continue to be established, Feed BC will support B.C. producers and processors to prepare for and access these new market opportunities to provide local food for K-12 students and build local food literacy.
- B.C. food in schools helps build students' knowledge of local food systems and strengthens connections with food producers and processors in our province.

- The Ministry of Agriculture and Food (AF) leads government's Feed BC partnership
  initiative to increase the use of British Columbia (B.C.) food in public institutions and
  shift more institutional food spending to purchasing B.C. products.
- Feed BC works with ministries, public institutions and food supply chain businesses to increase the use of B.C. grown and processed foods in health care facilities, post-secondary institutions, K-12 schools, and other government facilities.
- Feed BC partner institutions work towards a goal of spending at least 30 percent of their food budget on B.C. foods
- Every dollar that our public institutions spend on B.C. food creates a two-fold economic impact on our province through new jobs and Gross Domestic Product.
- Feed BC creates more opportunities for B.C. food businesses to participate in B.C.'s \$145M public institutional food service.
- Feed BC helps businesses diversify and prepare for the institutional food service market and other new markets through business-to-business events, tradeshows, coaching, and training.
- Our government and public institutions partnerships are key to Feed BC's success.

#### Feed BC in K-12: program structure

- Feed BC is partnered with all 60 B.C. school districts through the Feeding Futures school food program funding delivered by the Ministry of Education and Child Care.
- Feed BC receives advisory input from a working group of nine school districts to guide
   Feed BC in K-12 program development.
- Additional Feeding Futures delivery partners for school food include the Ministry of Health and the Ministry of Social Development and Poverty Reduction.

## Feed BC in K-12: 2024-2025 signs of progress

- In 2024, Feed BC provided school districts with resources and guidance on sourcing B.C. foods as well as how to track and report on B.C. food purchasing.
- Feed BC supported local food literacy and awareness through materials for schools and teachers, as well as a province-wide food recipe competition delivered by the Youth Development Team (see Estimate Note Youth Development FB/WBS).
- In Feeding Futures annual end of year reporting (on 2023-2024 school year), 88 percent of school districts (53/60) reported they anticipate taking action to increase purchasing B.C. food in the 2024/2025 school year.
- An early example of progress, incorporating B.C. food into school programs is School
  District 83 (North Okanagan-Shuswap) which reported spending 65 percent of Feeding
  Futures funding on B.C. food including bakery, eggs, yogurt, milk, frozen fruit, meat
  products, apples, peppers, cucumbers, flour and granola.

# **CROSS JURISDICTIONAL COMPARISON:**

- School food programs have operated for decades in Canada, but access and funding for programs, as well as program delivery methods, varies across the country.
- It is estimated that Canadian provinces, territories and municipalities currently contribute around \$200 million each year towards school food programs.
- All provinces and territories partially fund school food programs in the range of \$0.14-\$3.45 per participating student (\$0.03-\$0.94 per meal per capita) depending on the province or territory.
- A wave of school food investments across Canada was started off by British Columbia's historic \$214 million investment in 2023. Between April 2023 to May 2024, nine other provinces and territories announced additional school food investments (Nova Scotia, Quebec, Alberta, PEI, Saskatchewan, Manitoba, Yukon Territory, Ontario and Newfoundland and Labrador).
- In April 2024, the Government of Canada announced a National School Food Program, with a \$1 billion investment over five years to provide meals to an additional 400,000 children annually.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

In 2024/25, 3.5 FTE staff supported the integration of Feed BC into Feeding Futures.

# ESTIMATE NOTE- FISCAL 2025/26

# Ministry of Agriculture and Food

Confidential Advice to Minister

 In 2024/25, \$265K base budget was used to support Feed BC in K-12 (\$110K is administered by the Youth Development Team and is also reported in the Estimates Note Youth Development FBB/WBS)

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# Food and Beverage Processing

#### RECOMMENDED RESPONSE:

- · British Columbia's (B.C.) food and beverage processing sector is the second largest manufacturing sector in the province generating \$13 billion in revenue.
- It supports jobs, economic opportunities, and small business growth in every region of the province, including rural, remote, coastal, and Indigenous communities.
- Our food and beverage processing sector has experienced growth despite challenging economic conditions over the last four years due to the pandemic, wildfires, floods, energy prices, global supply chain disruptions, inflation, rising input costs, high interest rates and now threats of U.S. tariffs.
- The B.C. government has worked hard to support food and beverage processing businesses to adapt to drastic and quickly changing circumstances.
- With the U.S. government threatening potential tariff action against Canada, we will continue to work with the B.C. processing industry to identify opportunities to support business impacted by tariffs.
- The Ministry of Agriculture and Food (the Ministry) is working closely with industry and other government partners to grow processing capacity, encourage local input, and promote industry growth and competitiveness through increased investments in key areas such as:
  - Lean assessments to support companies to increase efficiency and reduce costs.
  - Business workshops across different regions to enhance food and beverage processors' ability to strengthen the viability of their business.
  - Cost shared funding through the Sustainable Canadian Agricultural Partnership (CAP) agreement for marketing, innovation, food safety and traceability, to strengthen and grow Canada's agriculture and food sector.
  - Partnering with industry to identify opportunities and challenges including supporting our abattoir sector in assessing business revenue streams, costs of production and track profitability in real time.

- B.C.'s food and beverage processing sector comprised of 3,500 establishments and supported 40,300 jobs in 2023.
- The sector generated an estimated \$13 billion in revenue in 2023, a 7.14 percent decrease over 2022.
- The sector accounted for 55 percent of B.C.'s total agriculture, seafood and food and beverage processing industry GDP in 2023, with contributions totaling \$3.2B.
- B.C. exported \$3.6 billion (11.4 percent decrease from 2022) in food and beverage products to 129 different international markets in 2023.
  - B.C. Food and beverage processing exports are declining due to inflation and

labour costs.

- B.C.'s top three export markets were the US (\$2.68B), China (\$227M), and Japan (\$169M).
- B.C. top export commodities include other food preparations for manufacturing (\$515M), baked goods (\$465M) and tallow (\$336M).
- B.C. Food and Beverage and the Small-Scale Food Processors Association are the two primary industry associations that provide sector perspectives to the Ministry. The Ministry also works with other associations representing some of the industry sub-sectors.
- B.C. food and beverage processing sector includes, but is not limited to, meat, beverages, processed dairy, seafood, baked goods, fruit, vegetables, and alternative proteins.
- B.C. food processing facilities are concentrated in the Lower Mainland, Okanagan, and Vancouver Island.
- Programs supporting growth and competitiveness for food and beverage processors include:
  - BC Lean for Food Processors (\$105k)
  - Two Day Food Processing Business Workshops (\$75k)
  - B.C. Agribusiness Planning Program (\$107K)
- The 2022/23 fiscal year end \$200M investment in food security included significant support for the food processing sector:
  - Food Processing Growth Fund (\$20M) for equipment, infrastructure, and training to increase productivity, business opportunities and competitiveness.
  - Small Food Processor Scale-Up Program (\$2M) to assist smaller businesses and abattoirs to scale up and grow their businesses

# **CROSS JURISDICTIONAL COMPARISON:**

 B.C. ranked third among provinces in Canada in beverage processing sales and fourth in food processing sales.

- There are four FTEs in the Ministry's Food and Beverage Processing team and one co-op student. Additionally, a number of other staff resources and program budgets across the Ministry directly or indirectly support food and beverage processors.
- The project budget was \$530k for food and beverage processing initiatives in 2024/25.
   \$385k was funded by Sustainable CAP and \$45k base funding.

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# **BC Food Hub Network**

#### **RECOMMENDED RESPONSE:**

- Through the BC Food Hub Network program (Network), the Ministry of Agriculture and Food (the Ministry) supports regional economic growth, job creation and business incubation by providing growth-stage food businesses with affordable, shared-use infrastructure, equipment, and services.
- The current network is comprised of 13 commercial hub facilities developed in collaboration with industry, communities, and post-secondary institutions, and supports regional and sector diversity in B.C.
- Food hubs help stimulate local economies through business and job creation, attraction, and retention, and improve food processors' business readiness and capacity to grow and access markets.
- The BC Food Hub Network provides essential support for rural economic development and food security by creating new opportunities for producers and food processors while connecting more British Columbians to local food.
- Food hubs provide food processors with critical, affordable infrastructure to develop and manufacture products to reach wider markets, expand their operations and take advantage of new market opportunities.
- In 2024/25, the Ministry continued to support the development and next-stage growth of 13 Ministry-funded food hubs by developing a range of initiatives to support food hub operations.
- The Ministry is working collaboratively with hubs to support the long-term sustainability of the BC Food Hub Network.

- The Network supports the Minister of Agriculture and Food's Mandate Letter
  Commitment to strengthen our regional food systems by supporting farming, expanding
  local processing, identifying supply chain disruption vulnerabilities and increase economic
  opportunities through FeedBC and BuyBC.
- BC Food Hub Network member facilities funded between 2018-2024:
  - Four full-scale and two small-scale food hubs (\$4.2M) and twelve feasibility studies/business plans (\$517K) funded through base budget;
  - Six full-scale and one small-scale food hub (\$5.26M) and one feasibility study (\$50K) funded through the StrongerBC Economic Recovery Plan;
  - One full-scale food hub (Richmond), including feasibility planning, through fiscal 2022-23 year-end funding (\$1M); and
  - One full-scale food hub in Summerland (\$400K) through base budget is in progress until 2025/26.
- In 2024/25, the Ministry funded a range of activities to support the BC Food Hub Network, including:
  - Developing the BC Food Hub Network long-term sustainability plan and working

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- with hubs on an approach to the Network in the future.
- Updating the food hub's business plans to support their financial sustainability.
- Continuing to use the BC Food Hub Community of Practice to support managers operating hubs.
- Expanding support tools such as common standard operating procedures and food safety protocols for shared-use facilities; and
- Creating hub videos and other collateral to inform local food processors and help hubs recruit new client businesses for long-term sustainability.

# **CROSS JURISDICTIONAL COMPARISON:**

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

- BC Food Hub Network planned expenditures in 2024/25 are \$851K.
- There is 1 FTE in the Ministry's Food Hub team.

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# Food Inflation in 2024

#### **RECOMMENDED RESPONSE:**

- For a long time, food price stability and security has been something that most of us have taken for granted. But the high food inflation of the last few years and the threat of a trade dispute between Canada and the United States (U.S.) has been a wake-up call.
- As part of the government's broader approach to affordability, the Ministry of Agriculture and Food focuses on preparing for potential U.S. tariffs by supporting local food production and diversifying supply chains. We also assist British Columbia (B.C.) food producers and processors in managing cost pressures related to global supply chain disruptions, rising labour costs, and the impacts of climate change.
- We have made historic investments to help farmers address those rising costs:
  - Strengthening the resilience and competitiveness of our supply chains through the Food Affordability and Innovation Fund and the Food Processing Growth Fund;
  - Helping food producers better use technology to manage their labour costs through the B.C. On-Farm Technology Adoption Program; and,
  - Supporting food producers in their efforts to adapt to climate change, disease outbreaks and changing industry conditions through the Perennial Crop Renewal Program, the Farmed Animal Disease Fund and the Agriculture Water Infrastructure Program.
- I am pleased to see that food inflation has been slowing since 2022 and reached 3
  percent in 2024. However, this reduction has not eased concerns about food
  affordability for many people.
- It is important that we continue tracking food affordability, especially in the face of the threat of U.S. tariffs that could drive up food costs for Canadians and Americans alike.

- Food prices in B.C. have risen by 25 percent from 2019 to 2024 (compared to 18 percent for all goods). From December 2021 to 2022, B.C. experienced the fastest pace of food inflation in over 40 years (8 percent). Food inflation in B.C. reduced to three percent in 2024 and is not anticipated to differ in 2025 unless tariffs are introduced.
- Key drivers included supply chain disruptions caused by weather events and labor disputes, rising costs of critical inputs, and reduced crop yields (e.g., early frost affecting stone fruits).
- After years of increases driven by inflation, overall household spending on food <u>declined</u> in 2023. This was driven by consumers responding to reduced spending power by substituting "premium" food for more affordable foods, adopting practices to reduce food waste, receiving donated food such as from a food bank, or eating less food overall.

 British Columbian's <u>food insecurity reached 21.8 percent</u> in 2023. Individuals accessing food banks increased by 32 percent from 2019 to 2024 and has risen each year from 2021 to 2024. Data for 2024 is not yet available.

# **CROSS JURISDICTIONAL COMPARISON:**

Post-pandemic food inflation is a global phenomenon and Canadians have fared relatively
well compared to other jurisdictions. Some jurisdictions such as France have even taken
legal action to freeze prices on basic foods. Canada took a softer approach, with the federal
government focusing on putting public pressure on grocers to bring costs under control.

# **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

N/A

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# **Grocery Sector Code of Conduct**

#### RECOMMENDED RESPONSE:

- British Columbia (B.C.) along with our federal-provincial-territorial (FPT) agriculture colleagues – supports the voluntary industry-led Grocery Sector Code of Conduct (the Code) to improve the strength and resilience of Canada's grocery food supply chain.
- This work is important. It provides B.C. producers and processors with resources for unfair practices such as retroactive fees and broken contracts. Disagreements between even the smallest suppliers and largest purchasers will have an avenue for resolution.
- B.C. is contributing Sustainable Canadian Agricultural Partnership (SCAP) funding to the first-year establishment of the Grocery Code of Conduct Adjudication Office (GCCAO) and looks forward to the Code's anticipated full implementation in June 2025.

- In July 2021, FPT Ministers of Agriculture directed industry to develop a voluntary Code to help resolve industry concerns over rising "retail fees" paid by producers, processors, and sellers to retailers.
  - The fees are perceived to be unfair and unpredictable, cited as an example of power imbalances between retailers and sellers.
  - Producers, processors, and sellers indicate that these fees are impacting seller profitability and viability, particularly for small and medium-sized enterprises.
  - Research has shown unfair practices between retailers, producers, and processors signaled a need for greater clarity and transparency.
- The Code is not the solution to grocery affordability. The Code will be beneficial for consumers overall through increased fairness, transparency, and predictability between suppliers and retailers, but will not lead to a sudden drop in grocery prices. These are two distinct issues.
- In June 2024, industry requested \$1.2 million from FPT governments to cover the firstyear establishment of the GCCAO, including set-up of infrastructure, staffing, and operations.
  - The primary role of the GCCAO is to oversee the implementation and adherence to the Code between suppliers and retailers.
  - After initial FPT funding, the GCCAO is intended to be self-sustaining via membership fees.
- During the July 2024 FPT Ministers Annual Conference in Yukon, Agriculture and Agri-Food Canada announced that all major Canadian retailers agreed to join the Code, including Loblaws, Sobeys, Metro, Walmart, and Costco.
- On January 9, 2025, the Code's Board of Directors announced the appointment of Karen Proud as the GCCAO's first President and Adjudicator. Proud will officially assume the role on March 17, 2025.
  - Proud previously served as President and CEO of Fertilizer Canada and held

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executive roles at Food, Health & Consumer Products of Canada and the Retail Council of Canada.

- The Board may also consider extending non-voting observer invitation(s) to FPT governments.
- The GCCAO is committed to having the Code fully operational by June 2025.

# **CROSS JURISDICTIONAL COMPARISON:**

Quebec will lead any annual reporting.

- In September 2024, B.C. committed to allocating a federal SCAP contribution of \$115,000 to the GCCAO.
- B.C.'s federal contribution will be split between \$86,000 (year one 2024/25) and \$29,000 (year two 2025/26).

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# **Declaration Act Implementation**

## **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (the Ministry) is committed to the success of British Columbia (B.C.)'s Declaration on the Rights of Indigenous Peoples Act (Declaration Act) and advancing the principles of the United Nations Declaration on the Rights of Indigenous Peoples (UN Declaration) as the framework for reconciliation in B.C.
- This includes ensuring Indigenous Peoples are part of the policy and decision-making processes that affect them, have equitable access to Ministry services and programs, and are supported to advance their self-identified agriculture and food goals.
- As committed to in Action 4.48, the Ministry continues to work in partnership with the B.C. Indigenous Advisory Council on Agriculture and Food (IACAF), First Nations and Indigenous-led organizations, including New Relationship Trust (NRT) and the First Nations Health Authority (FNHA), to advance Indigenous food security and agriculture priorities and strengthen Indigenous food systems and economic development opportunities.
- The Ministry is listening to Indigenous partners and has dramatically increased funding to support Indigenous-led food and agriculture initiatives since 2023. IACAF and NRT recommendations to ensure programs and services are accessible, flexible and attuned to self-identified priorities have shaped program and service design.

#### **BACKGROUND:**

- The Ministry is active through multiple pathways to ensure programs, services, policies and operations align with the Province's Declaration Act commitments.
- Action 4.48 in Declaration Act Action Plan that is specific to the Ministry: Work with IACAF
  and other Indigenous partners to identify opportunities to strengthen Indigenous food
  systems and increase Indigenous participation in the agriculture and food sector.
- Public reporting on Action 4.48 began in 2023. The 2023 and 2024 Declaration Act Annual Reports were developed with and endorsed by IACAF and NRT.
- IACAF has made significant contributions to advancing action on Goal 4.48 and has developed a second three-year strategic plan for 2024-2027 to further this work.
- See IACAF Estimates Note for further details.

#### Programs and Services- Food Security and Economic Development:

- The Ministry provides technical expertise and resources and is actively collaborating with other ministries to support reconciliation and Indigenous food systems.
- In addition to the Indigenous Food Security and Sovereignty Grant of \$30M over three
  years (2023-2025) being delivered by NRT, the Ministry launched the Indigenous Food
  Pathways Program and B.C. Indigenous Pathfinder Service in 2024 and has developed new
  tools and training initiatives (funded by the Sustainable Canadian Agricultural
  Partnership).
- Through Feed BC, the Ministry continues to work with Indigenous collaborators and public institutions to increase access to Indigenous foods and traditional recipes in K-12 schools,

- universities, colleges, hospitals, correctional facilities and other publicly funded institutions.
- The First Peoples' Food Sovereignty Table was established by the Ministry and the FNHA to bring together government agencies and Indigenous-led organizations to improve information sharing and coordination of supports for Indigenous food security, food sovereignty and food systems.
- In 2024, the Ministry created a new Indigenous Partnerships and Reconciliation Branch to deliver programs and strengthen internal capacity and support work with Indigenous partners to advance reconciliation through joint action and collaboration.
- See Indigenous Agriculture and Food Programs Estimates Note for further details.

#### **Treaty and Reconciliation Agreements:**

- The Ministry works with the Ministry of Indigenous Relations and Reconciliation (MIRR) to assess the agricultural suitability and capability of Agricultural Land Reserve (ALR) designated land and make recommendations during treaty negotiations involving land transfers to First Nations.
- See First Nations Negotiations Note for further details.

# **CROSS JURISDICTIONAL COMPARISON:**

- In 2019, B.C. was the first Canadian to introduce legislation requiring alignment of laws and an action plan to achieve the objectives of the UN Declaration.
- In June 2021, the Government of Canada enacted the <u>United Nations Declaration on the Rights of Indigenous Peoples Act</u>. In 2023, annual reporting on the Federal Action Plan began. Measures 86 and 87 speak to reconciliation in the food and agriculture sector.
- In October 2023, the Northwest Territories passed its *United Nations Declaration on the Rights of Indigenous Peoples Implementation Act*.

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

• The Ministry accessed \$0.95M in funding through MIRR's Indigenous Funding Program to support the implementation of the Declaration Act, including IACAF.

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# **First Nations Negotiations**

## **RECOMMENDED RESPONSE:**

- British Columbia's (B.C.) Declaration on the Rights of Indigenous Peoples Act established
  the "United Nations Declaration on the Rights of Indigenous Peoples" (UNDRIP) as the
  Province's framework for reconciliation. A provincial mandate is to advance
  reconciliation with Indigenous peoples, respecting their right to govern lands, while the
  Ministry of Agriculture and Food (AF) prioritizes protecting farmland for present and
  future use.
- Some land packages discussed at treaty negotiation tables include parcels from the Agricultural Land Reserve (ALR). The ALR's purpose of protecting and preserving agricultural land for farming ensures its availability for present and future food systems and agricultural needs. Many First Nations are concerned about food security and are interested in agricultural projects but oppose the ALR designation on treaty lands, as it restricts their land governance autonomy.
- AF aims to strengthen its relationship with First Nations by supporting agricultural and food systems opportunities. The Indigenous Food Sovereignty Program has allocated \$30 million over three years to support Indigenous communities in strengthening local food systems. Managed by the First Nations-led New Relationship Trust, the program focuses on administering and mobilizing capital funding for Indigenous communities. The final funding release is expected by May 2025.
- AF will continue to build its internal reconciliation policy capacity further to strengthen its relationship with Indigenous communities across B.C.

- The Ministry of Indigenous Relations and Reconciliation (MIRR) leads and represents B.C. in developing and implementing First Nations reconciliation agreements, including treaties and other agreements. Negotiations for an agreement may include financial transfers, land, and other components.
- The land component of negotiation usually involves Crown land for reconciliation.
- Crown land, including ALR-designated land, can be transferred to First Nations in different ways:
  - Land may be transferred to Canada to create federal Indian Reserves (IR). The
     Agricultural Land Commission Act (ALCA) does not apply to IR, and while the ALR
     designation remains the land is not impacted by the designation,
  - Land may be transferred in fee simple to Nations. This land is subject to existing laws, bylaws, and zoning regulations, similar to any other privately held lands.
     The ALCA continues to apply, and land remains in the ALR; and,
  - Land may be transferred to First Nations through treaty settlement legislation, with or without removal from the ALR depending on treaty clauses.
- The Natural Resources Sector has an established Deputy Minister-to-Deputy Minister memo sign-off process for land selection when provincial agreement negotiations are

completed and the outcome for land parcels is agreed upon by line agencies. For First Nation land transfer negotiations, AF analyzes agricultural interests using the Government's Land Agreement Data Information System (GLADIS).

- Future policy work will likely be needed to prevent farmland loss while respecting First Nations' sovereignty and jurisdiction. The AF policy team has collaborated with the Indigenous Partnerships and Reconciliation Branch to develop ministry-wide policies and strategies to support this effort.
- The newly created Indigenous Partnerships and Reconciliation Branch is working with the policy team to leverage opportunities to advance reconciliation and protect farmland in B.C.

# **CROSS JURISDICTIONAL COMPARISON:**

- B.C. is the only jurisdiction in Canada with a specific designation for agriculture, recognizing it as the priority use through legislation. Under the *Greenbelt Act*, Ontario (ON) also protects farmland, forests, wetlands, rivers, and lakes. However, ON is governed by 46 existing treaties and other agreements signed between 1781 and 1930.
- B.C. is Canada's only province or territory to legislate UNDRIP, requiring its laws to align
  with the Declaration and establish co-governance and co-decision-making models. The
  Ministry of Water, Land, and Resource Stewardship leads this work.
- In 2021, the Government of Canada brought into force the federal *United Nations Declaration on the Rights of Indigenous Peoples Act:* 
  - The federal act affirms UNDRIP as an "international human rights instrument that can help interpret and apply Canadian law.",
  - The act requires the Government to prepare and implement an action plan for UNDRIP's objectives and table an annual progress report; and,
  - Released in June 2023, the UN Declaration Act Action Plan—developed with First Nations, Inuit, and Métis—outlines government actions to combat racism, close socioeconomic gaps, and promote Indigenous equality and prosperity.

# PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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# **G2G AGREEMENTS AND WATER USE**

#### RECOMMENDED RESPONSE:

- The Ministry of Agriculture and Food (AF) recognizes the importance of reconciliation with Indigenous Peoples. Collaborative water governance is increasingly essential for uniting farmers, Indigenous governments, and rural communities to develop long-term, holistic solutions to the complex water management challenges and conflicts affecting many of B.C.'s rural areas.
- Collaborative Government-to-Government (G2G) processes take years and require
  considerable resources, particularly staff time, from the Province. As these
  processes work toward long-term solutions for water users, ongoing support for the
  agriculture sector will be essential to strengthening water and climate resiliency.
- AF is participating in established and emerging G2G processes focusing on areabased water governance, including in the Koksilah and Nicola Watersheds, and in the Hullcar community.
- AF is a provincial signatory to the G2G agreement for the Water Sustainability Plan (WSP) process in the Koksilah Watershed.

- As B.C. advances reconciliation and aligns resource management practices and legislation with the Declaration on the Rights of Indigenous Peoples Act, new governance structures and partnerships with First Nations are emerging. G2G relationships and co-developed strategies and initiatives are becoming more common across the province.
- WSPs, initiated by ministerial order to address water use conflicts and ecosystem
  risks at the watershed or local level, are unfolding for the first time in the province
  (refer to Estimates Note 'Access to Water' for more information).
- G2G agreements, essential for the co-development and success of area-based planning initiatives, are in place for the WSP process underway in the Koksilah Watershed (Vancouver Island) and for the Nicola Watershed Governance Partnership (North Okanagan). An updated G2G agreement is also being developed to address water quality issues in the Hullcar Aquifer (North Okanagan).
- In May 2023, the Province, represented by the Minister of Water, Land and Resource Stewardship (WLRS), the Minister of Forests, and the Minister of AF, signed a G2G agreement with Cowichan Tribes to co-develop a WSP for the Koksilah (Xwulqw'selu) Watershed on Vancouver Island.
  - Cowichan Tribes has been designated the "responsible person" for preparing the WSP, with provincial ministries providing support. WLRS is the lead representative for the Province at the planning and G2G tables and is working with AF to ensure alignment on policy recommendations.

- The three-year planning process (2023–2026) involves collaborative workstreams such as 'knowledge and model development', 'water rights and use management', and 'sustainable agriculture' in which AF is actively participating.
- Guidance is provided by the Collaborative Community Advisory Table, comprised of various watershed stakeholders, including seven farmers.
- In 2026, it is expected WSP will be recommended to the Minister of WLRS for acceptance and will include policy direction for the co-development of regulations with Cowichan Tribes. Development of any recommended regulations (e.g., Dedicated Agricultural Water, described in Estimates Note 'Access to Water') is expected in 2027.
- This process marks a milestone in reconciliation, as the G2G agreement includes provisions for co-developing policy and regulations, a first for B.C.'s water governance framework.
- B.C.'s Watershed Security Strategy, which was approved by the previous Cabinet but not yet publicly released, includes recommendations to expand the use of areabased plans such as WSPs. While these processes are lengthy and require considerable resources from the Province, with no WSPs yet finalized or implemented in B.C., those involving G2G agreements are crucial for establishing sustainable, long-term water management solutions at the watershed level.
- As water planning and governance initiatives unfold, AF is expanding extension
  programs and funding initiatives to help producers manage water more effectively
  while supporting investments in on-farm and community water infrastructure. These
  efforts aim to enhance water security, reduce pressure on sensitive watersheds, and
  strengthen climate and drought resiliency in response to increasingly frequent and
  severe water scarcity events.
- As water scarcity challenges intensify, demand for AF's participation in G2G and watershed planning processes is growing. However, AF currently lacks sufficient dedicated staff to support the expanding scope of these collaborative initiatives across the province.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

2 FTE

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# **Indigenous Agriculture and Food Programs**

#### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (the Ministry) strives to support Indigenous governments, organizations, and entrepreneurs to build capacity in food security and the agriculture and food sector and meet their related economic self-determined goals through our programs, services and relationships.
- Ministry programs and services directly supporting Indigenous Peoples include:
  - Indigenous Food Security and Sovereignty Grant [delivered by New Relationship Trust (NRT), totaling \$30M over three years, beginning in 2023],
  - Indigenous Food Systems and Agriculture Program (IFSAP) initiatives through funding through the Sustainable Canadian Agricultural Partnership (Sustainable CAP) with the Government of Canada (totaling \$2M over five years), including the Indigenous Food Pathways Program and the B.C. Indigenous Pathfinder Service launched in 2024,
  - Indigenous Food Systems and Agriculture Skills and Training program (ISAT)
     [delivered by the Investment Agriculture Foundation (IAF) with funding from the Ministry of Social Development and Poverty Reduction, totalling \$2.3M], and
  - Feed BC's work to increase access to Indigenous foods in publicly funded institutions underway.
- We are committed to continuing to move forward with lasting and meaningful reconciliation through the implementation of B.C.'s Declaration on the Rights of Indigenous Peoples Act (Declaration Act).
- The Ministry has a dedicated Indigenous Partnerships and Reconciliation Branch and Pathfinder Service supporting tailored programs and outreach, providing access to technical expertise, programs and services, and supporting Ministry actions that help implement the *Declaration Act*.

- The Ministry's Indigenous Partnerships and Reconciliation Branch is comprised of four full time employees and a director that coordinate Ministry support for Indigenous communities, organizations and entrepreneurs in the development and growth of their food security, agriculture and food businesses and initiatives.
- Other roles of the Branch include:
  - Facilitating the Ministry's understanding of Reconciliation and coordinating its approach to inform Ministry programs, services, and policies,
  - Working collaboratively with agency and Indigenous partners to support a coordinated approach to support Indigenous food security and food systems,
  - Working with the Regional Agrologist Network and other subject matter experts to facilitate referrals and access to resources, programs, and advisory services, and
  - Providing secretarial support to the Indigenous Advisory Council on Agriculture and Food (IACAF). See IACAF Estimates Note.

- In July 2023 the Ministry announced a \$30M program to be delivered by NRT over three
  years to support First Nations and Indigenous Peoples develop food sovereignty, food
  security and agriculture initiatives.
  - The program offers funding to communities, businesses, or organizations to support food systems planning activities and to support implementation including infrastructure, such as greenhouses, irrigation systems, community gardens, food storage, and climate change adaptation projects.
  - The first and second intakes of the program were fully subscribed and closed early due to the high demand. The third and final intake will open May 2025.
- Under B.C.'s Sustainable CAP agreement, the IFSAP is a designated program allocated \$2M over the five-year agreement. IFSAP supports Indigenous Nations, communities, businesses, and organizations in increasing food security and sovereignty over their food systems and strengthens Indigenous Peoples' participation and success within the agriculture and food sector.
- In November 2024, the Ministry launched the B.C. Indigenous Pathfinder Service under Sustainable CAP, providing a concierge-type service, offering one-on-one program navigation and coaching support for Indigenous clients interested in pursuing food security and economic endeavors in food and agriculture. The service will improve access to ministry programs, relevant resources and subject matter expertise for Indigenous clients and was developed in response to recommendations from Indigenous Peoples calling for simplified, relationship-focused supports to navigate programs and services. Since their launch, Pathfinder and the Pathways program have received over 150 direct inquiries.
- The <u>Indigenous Food Pathways Program</u> launched in November 2024 under Sustainable CAP. The program will invest in strategic, broad impact Indigenous-led projects to build capacity and leadership in food security and agriculture.
- In 2023, the Ministry worked in partnership in 2023 with IAF to develop and launch the ISAT. Up to \$2.3M within the Agriculture Workforce Development Initiative was available from the Ministry of Social Development and Poverty Reduction.
- ISAT supports First Nations, Indigenous communities, businesses, and organizations to increase Indigenous participation in agriculture, seafood, food processing and related community food initiatives through training and skills development, peer-to-peer learning, knowledge transfer initiatives related to food systems.
  - 2023 Intake 1: 13 Projects approved worth \$984,323.
  - 2024 Intake 2: 18 projects approved worth \$1,343,248.
- Working with Feed BC staff to support Indigenous food initiatives to increase access to traditional foods in public institutions, support good collection practices for wild harvesting, and support projects to advance Indigenous food and agriculture priorities.
- The Ministry is committed to B.C.'s Declaration Act:
  - See Declaration Act Estimates Note
  - See BC Indigenous Advisory Council on Agriculture and Food Estimates Note
  - See Estimates Note on First Nations Negotiations

# **CROSS JURISDICTIONAL COMPARISON:**

- B.C. has been the leader in Canada in providing Indigenous-specific programming and staff support that is not currently offered by all provinces and territories. Some provinces have initiated Indigenous-focused supports through Sustainable CAP programs, notably Manitoba's Indigenous Agriculture and Food Program in Manitoba. Manitoba modeled their program largely after B.C.'s Indigenous programming.
- Agriculture and Agri-Food Canada (AAFC) launched its Indigenous Pathfinder Service in 2018. B.C.'s service was developed in conversation with AAFC, with the agreement to work in partnership to provide improved service for Indigenous clients between the federal and provincial agencies.
- AAFC's primary program support of Indigenous Food Systems and Agriculture continues to be through the Local Food Infrastructure Fund.

- \$518K was allocated under Sustainable CAP to support four projects through the Indigenous Food Pathways Program. These four projects will have strategic and provincial scale impact and support Indigenous leadership and grow capacity in Indigenous food security and sector development.
- \$75K was allocated under Sustainable CAP to develop and pilot training materials for Indigenous communities and organizations to support long-term operational sustainability of small to medium scale greenhouse enterprises.
- \$80K was allocated under Sustainable CAP to support the First Nations Food
  Sovereignty Table, an initiative the Ministry is co-leading with First Nations Health
  Authority. The purpose of the table is to improve coordination and effectiveness of
  government supports for Indigenous food security and food sovereignty and centre
  Indigenous perspectives to guide planning and action in B.C.
- \$2.5K was allocated under Sustainable CAP to Tselqox First Nation to support the
  hosting of a field visit showcasing local and traditional food production and processing,
  as part of the Interior Indigenous Food Forum.
- \$30M was granted to the NRT in July 2023 to deliver a program to support First Nations and Indigenous Peoples to develop food sovereignty, food security and Indigenous-led agriculture initiatives. 109 projects have been funded:
  - o Intake 1, 2023: 84 applications received; 63 projects funded for \$9.4M
  - Intake 2, 2024: 142 applications received, 46 funded for \$9.1M
  - Upcoming intake 3, May 1, 2025: final intake utilizing remaining funds ~\$13M

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# **B.C. Indigenous Advisory Council on Agriculture and Food**

#### RECOMMENDED RESPONSE:

- The Ministry of Agriculture and Food (the Ministry) supports the B.C. Indigenous
  Advisory Council on Agriculture and Food (IACAF) as a platform for the Ministry and
  Indigenous Council Members to work together to advance reconciliation and
  Indigenous Peoples' self-determined food and agriculture priorities.
- IACAF provides advice and guidance to the Ministry to ensure Indigenous leadership, reduced barriers, and further equitable participation in the food and agriculture sector aligned with Indigenous food security, food sovereignty and economic development priorities.
- IACAF's 2024-25 membership includes nine Indigenous representatives from eight First Nations and one from Métis Nation of British Columbia (B.C.), all of whom are strong champions and leaders in their communities supporting Indigenous food systems and agriculture.
- The Ministry's Service Plan and Declaration Act Action Plan Goal 4.48 speak directly to the Ministry's commitment to work with IACAF and other Indigenous partners to identify opportunities to strengthen Indigenous food systems and increase Indigenous participation in the agriculture and food sector.
- IACAF is currently in Year One of the Council's second three-year strategic plan (2024-2027), which focuses on championing economic revitalization and investments in Indigenous food systems, addressing policy gaps impacting access to traditional foods, and promoting Indigenous food system awareness, education and engagement.
- IACAF has increased the Ministry's knowledge and situational awareness of Indigenous food systems, advised on programs, services and funding for Indigenous Peoples, and informed approaches to foster structural change aligned with reconciliation commitments.

- IACAF was formed to establish a collaborative platform for the Ministry to work with Indigenous leaders in food and agriculture to advance Indigenous priorities and reconciliation in the food and agriculture sector.
- IACAF is identified as a key Indigenous partner in the Ministry's Service Plan and the Declaration Act Action Plan for 2022-2027 (Goal 4.48).
  - Goal 4.48 states: "Work with the B.C. Indigenous Advisory Council on Agriculture and Food (IACAF) and other Indigenous partners to identify opportunities to strengthen Indigenous food systems and increase Indigenous participation in the agriculture and food sector."
  - IACAF was profiled in the first public report on the Declaration Act Action Plan for 2022-23 and featured in the 2023-24 public report.
- IACAF's strategic plan for 2024 to 2027 prioritizes action in three areas:

- Championing economic revitalization, investment, and funding for Indigenous food systems;
- 2. Addressing policy gaps impacting access to traditional foods; and
- 3. Promoting awareness, education, and engagement on Indigenous food systems.

### **IACAF Outcomes and Contributions to Reconciliation Goals:**

- Since 2021, IACAF has commissioned research to address information gaps, informed
  policy and program design to better align with Indigenous needs and priorities in the
  sector, met with program areas across the Ministry to support the operationalisation of
  reconciliation commitments, and organized events to bring together government
  agencies and Indigenous food sector organizations and champions.
- IACAF has sponsored research to inform policy and program development include:
  - Gap Analysis of Water Needs for Indigenous Agriculture in B.C. (2022),
  - Gap Analysis of Funding for Indigenous Agriculture and Food (2022),
  - Discussion Paper on Indigenous Food Sovereignty (2023),
  - o Indigenous Food Sovereignty Phase 2 Survey and Mapping Report (2023), and
  - Gathering of Indigenous-Led Organizations in Agriculture and Food Report (2023).
- IACAF has also guided the design and implementation of multiple programs to support
  Indigenous food and agriculture totaling over \$35M, including the Indigenous Food
  Security and Food Sovereignty Grant (\$30M, 2023-2026, New Relationship Trust) and
  the Ministry's Indigenous Food Systems and Agriculture program area (\$2M, 20242029) through the Sustainable Canadian Agricultural Partnership.

# **CROSS JURISDICTIONAL COMPARISON:**

 IACAF is unique in Canada as the only provincial- or territorial-level Indigenous advisory body to government on food and agriculture.

- The Ministry's Indigenous Partnerships and Reconciliation Branch supports IACAF through one Full Time Equivalent.
- In Fiscal Year 2025, the Ministry accessed \$250K in funding from the Indigenous Funding Program, managed by MIRR, to support the functions of IACAF, the implementation of IACAF's strategic plan and contracting of services to support strategic plan renewal.

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Appendix A: IACAF Members and Contributors (2019-2025)

<b>Current Membership</b>	, 2024-2025	
Name	First Nation or Indigenous Affiliation	Role on IACAF
Qwustenuxun (Jared Williams)	Cowichan Tribes	IACAF Nominated Chair (November 2024) IACAF Member (2023 – Present)
Nikki Lorentz	Burns Lake Band (Wet'suwet'en nation)	IACAF Nominated Vice Chair (November 2024) IACAF Member (2023 – Present)
Harold Aljam	Coldwater Indian Band / First Nations Agriculture Association	Council formation (2019-2021) IACAF Member (2021 – Present)
Taylor Behn-Tsakoza	Fort Nelson First Nation	IACAF Youth Member (2022 – Present)
Paulette Flamond	Métis Nation B.C.	IACAF Member (2023 – Present)
Fred Fortier	Simpcw First Nation	IACAF Member (2023 – Present)
Chief Byron Louis	Okanagan Indian Band	Council formation (2019-2021) IACAF Co-Chair (2021 – 2024) *
Shelley Leech	T'ít'q'et First Nation	Council formation (2019-2021) IACAF Co-Chair (2021 – 2024) *
Steven Stark	Tsawwassen First Nation	Council formation (2019-2021) IACAF Member (2021 – Present)
Vacant 1 (Nominee: Andrew George)**	Nominated Member	Wet'suwet'en
Vacant 2 (Nominee: Trevor Mack)**	Nominated Member	Tl'etinqox
Vacant 3 (Nominee: TBD)**	Member/Youth Member	
IACAF Observers (no	n-member participants, 2024-	2025)
Name	Role	Affiliation and Position
Sarah Behn	Observer	BC Assembly of First Nations, Senior Economic Development Policy Analyst
Hannah Cripps	Observer	BC Assembly of First Nations, Economic Development Junior Policy Analyst
Grace Kim	AAFC Representative	AAFC, Regional Director, Northwestern Departmental Regional Office

# ESTIMATE NOTE- FISCAL 2025/26 Ministry of Agriculture and Food

Confidential Advice to Minister

Maria Ivancic	AAFC Representative	AAFC, Senior Industry
		Development Officer,
		Northwestern Departmental
		Regional Office

<sup>\*3-</sup>year term ended March 2024; however, the appointment and confirmation of new chairs has been delayed because of the strategic planning process and provincial election.

<sup>\*\*</sup> New Members Nominated by IACAF in November 2024. Appointments pending Minister endorsement, CABRO review and vetting, and appointment to IACAF via Ministerial Letter.

Name	First Nation or Indigenous affiliation	IACAF Involvement  Council formation (2019-2021) IACAF Member (2021 – 2023)	
Jacqueline Alderking	Fort St. John Métis Society		
Stuart Alec	Nazko First Nation	Council formation (2019-2021)	
Patrick Harry	Stswecem'c Xgat'tem First Nation	Council formation (2019-2021) IACAF Member (2021 – 2024)	
Daryl Johnny	?Esdilagh First Nation	Council formation (2019-2021)	
Cherie Luke	Yaqan nuʔkiy (ya-qannu-ki) / Lower Kootenay Indian Band	IACAF Member (2021)	
Patrick Michell	Kanaka Bar Indian Band	Council formation (2019-2021) IACAF Member (2021 – 2023)	
Tyrone McNeil	Seabird Island Band Council formation (20° IACAF Member (2021 -		
Justen Peters	Okanagan Indian Band	IACAF Youth Member (2022 – 2023)	
Andrew Robinson	Nisga'a Village of Laxgalts'ap		
Gordon Planes			
Leah Stump	Nazko First Nation	IACAF Member (2021)	
Aaron Sumexheltza	Lower Nicola First Nation	Council formation (2019-2021)	
Jim Tatoosh	Hupačasath First Nation	Council formation (2019-2021)	
Wenecwtsin (Wayne Christian)	Splatsin First Nation	Council formation (2019-2021) IACAF Member (2021 –2022)	
Curtis Wullum	Yaqan nu?kiy (ya-qannu-ki) / Lower Kootenay Indian Band	Council formation (2019-2021)	

# Temporary Foreign Worker Program Changes and Inter-Ministry Working Group

#### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (Ministry) recognizes that producers and processors face challenges in finding and retaining the required labour for their operations.
- As a result of challenges recruiting domestic labour, the sector increasingly relies on workers accessed through the federally administered Temporary Foreign Worker Program (TFWP).
- For example, in 2023 we had 10,790 temporary foreign workers (TFWs) employed in Primary Agriculture and 6,996 in Food and Beverage Manufacturing in B.C.
- In response to ongoing challenges raised by industry, the Ministry established an Inter-Ministry Working group on Temporary Foreign Workers to lead a coordinated response.
- This working group brings together both staff and executives from the Ministry of Health (HLTH), Ministry of Labour (LBR), Ministry of Housing and Municipal Affairs (HMA), Ministry of Post-Secondary and Future Skills (PSFS), and my ministry to address shared priorities, respond to ongoing issues, and in an effort to ensure that federal program changes are implemented effectively.
- Current priorities for the working group include addressing federal housing standard changes including inspection regimes, researching options for improved medical coverage for TFWs, and proactive issues management with respect to TFWs in the agriculture sector.

- The Temporary Foreign Worker Program (TFWP) allows Canadian employers to hire foreign nationals to fill vacant positions for a set period of time.
- The program is federally managed and overseen by Immigration, Refugees and Citizenship Canada, as well as Employment and Social Development Canada.
- There are two streams that are predominantly used by employers in agriculture and food processing:
  - Seasonal Agriculture Worker Program (SAWP): short-term seasonal employment for up to 8 months.
  - Ag Stream: employment in more specialized sectors such as livestock for up to 3 years.
- While AF does not have any jurisdiction or legislative responsibilities related to labour or the TFW Program, it plays an important role in communications with industry and leading coordination across relevant agencies through chairing the Inter-Ministry Working Group on Agriculture TFWs.

- The Ministry of Post-Secondary and Future Skills is the lead on immigration policy for the province and is regular communication with the federal government and foreign consulates regarding immigration specific communications and policy. They actively support the TFW program through information sharing with other ministries.
- The Ministry of Labour supports TFWs through the Temporary Foreign Worker Protection
   Act which establishes standards for those looking to employ or use a recruiter to hire
   TFWs. The Ministry also oversees the Temporary Foreign Worker Registry, which
   requires prospective employers of TFWs to register with the Ministry.

## Ongoing Issues with Temporary Foreign Worker Program (TFWP) in Agriculture

- Complaints regarding the TFWP were present since its implementation in B.C in 2004.
   General themes from industry include administrative frustration, long processing times, processing fees, and high-barrier application process.
- Complaints from employees and consulates are frequent and include lack of suitable housing, illegal or confusing payment practices, and reports of verbal and physical abuse.
- The Mexican consulate regularly communicates to the Ministry on issues and is requesting changes. These include improvements to housing standards and inspections, improvements to health coverage, improvements to working conditions, and changes to worker permits to allow workers to move between employers.
- Complaints from workers on working/living conditions, lack of access to healthcare, lack of path to permanent residency, and work permit ties to employer have been well documented in the media and research.

## **Employment and Social Development Canada Proposed Program Changes**

- In 2022, Employment and Social Development Canada (ESDC) announced proposed changes to employer provided housing requirements for TFWs.
- In July 2024, ESDC announced significant changes to TFW Agriculture Programs with targeted improvements for employers and workers to be delivered under a proposed new TFW Agriculture and Fish Processing Stream with a target implementation date of January 1, 2027.
- Pending changes include:
  - New housing standards, which outline 12 new housing factors to be considered when implementing or inspecting employer-provided housing
  - Changes in occupational scope are to be included in the program, which will now include primary fruit, vegetable and seafood processors rather than just primary harvesters.
  - Changes that will tie the TFW agriculture work permit to industry or position rather than to a specific employer.
- ESDC is leading an engagement process on the proposed changes through the release of six topic specific policy papers outlining proposed changes.

# **Inter-Ministry Working Group on TFWs**

- AF chairs an ADM and staff level Inter-Ministry Working Group on TFWs.
- This working group includes AF, HLTH, LBR, HMA, and PSFS to address shared priorities, respond to ongoing issues, and ensure that federal program changes are implemented effectively.
- Priorities include addressing federal housing standard changes including inspection regimes, researching options for improved medical coverage for TFWs, and proactive issues management with respect to TFWs in the agriculture sector.
- Members of the working group have recently agreed to extend their term another 24 months until January 1, 2027– coinciding with the implementation date for program changes.
- A key area of focus for the Working Group currently is the implementation of the new federal housing standards, and AF is working with HLTH on an analysis of the approach to implementation of the new standards.
- Members of HLTH in the working group are currently researching options for improved medical coverage for TFWs. Public health coverage has been a point of contention between the Mexican Government and B.C. since early in the program.
- The Working Group is also used to ensure coordination and communications with respect to issues management.

# **CROSS JURISDICTIONAL COMPARISON:**

- AF Workforce and Development Business staff sit on a Provincial/Territorial working group that discusses the program changes and other jurisdictions are taking the same inter-Ministry approach as B.C. within their own governments.
- Other jurisdictions have different legislation, regulation, and delegatory authorities and approaches and challenges to implementing the updated federal requirements vary.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

No dedicated budget; 1FTE with manager support.

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# **Workforce Development and Labour Programs**

# **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (the Ministry) recognizes that food producers are facing increasing challenges in attracting, retaining, and reducing their dependence on labour.
- While the Ministry does not have a program specifically addressing labour challenges, it continues to invest in and incorporate labour considerations into several programs.
- A key example is the B.C. On-Farm Technology Adoption Program which provides costshared funding to adopt new technologies on-farm with a focus on labour-saving technologies.
- The Ministry continues to work in partnership with the Ministry of Social Development and Poverty Reduction (SDPR) on the \$15 million dollar Agriculture Workforce Development Initiative (AWDI), delivered over 3 years by the Investment Agriculture Foundation.
- AWDI includes several programming streams focused on improving workforce planning and analysis, skill development and training, youth employment, and recruitment, retention and training in agriculture, seafood, food processing and veterinary services.
- The Ministry works closely with other jurisdictions, agencies, and industry stakeholders to understand labour challenges and identify collaborative solutions.

- In 2022, B.C. employed over 33,000 agriculture workers, down from over 40,000 in 2014.
- The food and beverage processing industry (including seafood preparation and packaging) held a total of 39,145 jobs in 2022, a reduction of 2.1 percent from 2021.
- The overall average age of farmers in B.C. has continued to rise, while the number of farmers under the age of 35 has continued to decline.
- A Canadian Agricultural Human Resource Council (CAHRC) study in 2020 forecasted that by 2029, there will be 15,400 jobs at risk of going unfilled in agriculture.
- B.C. had the 3<sup>rd</sup> largest number of Temporary Foreign Workers (TFWs) enter the country in 2023 and TFWs account for approximately 25 percent of the workforce:
  - 10,970 employed in agriculture, and
  - 6,966 employed in food and beverage manufacturing.
- General labour issues (attracting, retaining, paying, housing, etc.) have been at the forefront of challenges faced by producers for decades.
  - Wages represent the largest portion of the farm's operating expenses.
  - Despite this, wages in agriculture and food continue to lag behind other sectors, especially in primary production.

## **Agriculture Workforce Development Initiative**

- AF partnered with the Ministry of Social Development and Poverty Reduction to secure and design the \$15M Agriculture and Food Workforce Development Initiative (AWDI) to be delivered over 3 years (Mar. 2023 - Feb. 2026).
- The Program is administered by Investment Agriculture Foundation, in collaboration with the Ministry, and includes 6 streams:
  - Mental Health Wrap Around Supports: \$755K.
  - Workforce Analysis, Planning and Partnerships: \$400K.
  - Indigenous Food Systems and Agriculture Skills and Training: \$2.3M
  - Student Summer Farm Work Bursary: \$1.4M
  - Recruitment, Retention, and Innovative Skills: \$6.8M
  - Regional Recruitment and Retention of Veterinary Service Delivery for Food Animals (VET) Program: \$1.4M

### **Internal Workforce Action Plan and Cross-Ministry Programs**

- The Ministry is in the process of creating an internal Workforce Development Action
  Plan to identify and prioritize actions that the Ministry staff can take to contribute to
  addressing producers' difficulties in recruiting and retaining domestic labour.
  - The Action Plan will focus on integration of labour considerations across existing Ministry initiatives and working in collaboration and through partnerships with agencies that lead labour, skills and training related initiatives and with industry to advance solutions to labour challenges.
- Examples of current Ministry programs which have a labour related component are:
  - Agri-Business Planning Program: funding for skills and leadership development and/or business planning, which are all vital to effective labour retention.
  - Lean for Food Processors Program: funding to survey production and implement lean processes, potentially impacting need for labour.
  - Knowledge and Technology Transfer Program: funding for knowledge and skill development for producers and processors.
  - New Entrant Farm Business Accelerator Program: funding to support business planning and cost-shared purchasing of infrastructure and equipment, potentially reducing labour needs.
  - Veterinary and Veterinary Technologist Students Working in B.C. Food Animal Practices: funding to support placement of students with veterinary practices that offer food animal services.
  - B.C. On-Farm Technology Adoption Program: cost-shared funding to adopt new technologies on-farm. Intake two is focused on labour-saving technologies.
- The Ministry chairs a working group with members of Ministry of Health, Ministry of
  Housing and Municipal Affairs, Ministry of Labour, and Ministry of Post-Secondary
  Education and Future Skills to coordinate the development and implementation of new
  policies and programs that address concerns raised by stakeholders with temporary
  foreign workers working in the sector (See Estimate Note TFW Program Changes and
  Inter Ministry Working Group FBB-WBS for detail).

# **CROSS JURISDICTIONAL COMPARISON:**

- Ministry staff are currently engaging other jurisdictions to get a fulsome picture of how other areas are tackling the challenge of labour in agriculture.
- B.C. is the third-largest user of the Temporary Foreign Worker program, behind Ontario and Quebec.
- Some provinces are offering programming that is currently unavailable in B.C., like
  access to capital assistance, commodity-specific support for adoption technology, and
  job connector services specific to the sector, while other provinces do not offer any
  labour programming specific to agriculture.
- About 50 percent of agricultural work across Canada is seasonal.

- N/A no Ministry expenditure directly allocated to labour at this time.
- 1 FTE supports the domestic and international labour file.

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# **Meat Inspection Program Overview**

#### **RECOMMENDED RESPONSE:**

- The Meat Inspection Program (MIP) maintains the highest standards of food safety and animal welfare so that consumers can enjoy British Columbia (B.C.) meats with confidence.
- The Ministry of Agriculture and Food (Ministry) has 56 employees who conduct inspections at provincially licensed meat facilities, and other staff who support administration and licensing.
- There are 57 provincially licensed abattoir class facilities in B.C.: 29 are licensed for red meat only, 20 are licensed for poultry only, and eight are licensed for both.
- There are 89 provincially licensed Farmgate Plus establishments and nine Farmgate establishments: 42 are licensed for red meat only, 20 are licensed for poultry only, and 36 are licensed for both.
- The Ministry is committed to working with operators and applicants with operations of all types and sizes to support the development of food safe, cost effective, and innovative slaughter capacity solutions in all regions of the province.

- The MIP includes 56 inspection staff in four regions (Vancouver Island; Lower Mainland; Interior and Northern B.C.) supported by management, administration, and a Meat Hygiene Veterinarian who advises inspection staff on dispositions regarding animals and carcasses.
- On October 1, 2021, the Ministry amended the Meat Inspection Regulation to create new license categories, allow more modernized inspection approaches, increase production limits, expand where meat products can be sold, and increase areas where rural licenses are available.
- Abattoir licenses
  - All previously licensed Class A and B establishments automatically transitioned to a new abattoir class license.
  - An inspector must be present for a licensed abattoir to operate to ensure the best practices in animal welfare and the highest standards of food safety.
  - Most licensed abattoirs are small-scale operations: 89 percent of provincial production is from three abattoirs. Some plants process less than 200 animals per year.
- Farmgate and Farmgate Plus licenses
  - All former Class D and E licenses transitioned to Farmgate Plus and Farmgate licenses.
  - Farmgate and Farmgate Plus licenses support local livestock and meat production in remote and rural communities where slaughter capacity is limited. They are available province-wide and provide on-farm options for small

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

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

# **CROSS JURISDICTIONAL COMPARISON:**

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

# PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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Date approved: February 14,2025	Date approved: 2025- Feb-04	Branch: Food Safety Inspection Branch	Branch: Food Safety Inspection Branch
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# MODERNIZED POULTRY INSPECTION

#### RECOMMENDED RESPONSE:

- The Meat Inspection Program (MIP) delivers the highest standards of food safety and animal welfare so that consumers can enjoy British Columbia (B.C.) meat with confidence.
- Modernized Poultry Inspection (MPI) is an innovative approach to meat inspection used by the Canadian Food Inspection Agency (CFIA) in federal facilities and by inspection agencies in other countries.
- MPI creates opportunities for high-speed poultry facilities to increase production while maintaining high standards for food safety and animal welfare.
- After a pilot trial of MPI in B.C. demonstrated opportunities for significant efficiency gains, the system is now in use at two establishments.
- Under an MPI system, inspectors have more time to focus on higher risk food safety areas and ensure proper animal welfare.
- This streamlined approach enhances industry competitiveness while fostering economic growth with a positive impact on provincial food security.

- The Ministry assumed responsibility for the Meat Inspection Regulation under the Food Safety Act in 2014.
- The MIP uses a traditional model of meat inspection that requires a government inspector to be present before, during, and after slaughter.
- For poultry, inspectors detect defects visually by watching bird carcasses as they move down a processing line, past an inspection station.
- Under MPI, plant personnel receive technical training to focus on performing food quality evaluation for defects such as broken wings, bruises, and pin feathers.
- Carcasses with signs of food safety defects are diverted for subsequent evaluation by a government inspector.
- Under an MPI model, inspectors are no longer bound to an inspection station on highspeed lines.
- This allows inspectors to be more effectively focused on all areas of plant operations that pose higher food safety and animal welfare risk.
- For MPI, government inspectors and plant staff received comprehensive retraining guided by the MIP program veterinarian to align with latest inspection standards.
- The two abattoirs participating in MPI process approximately 87% of provincially licensed poultry.

# **CROSS JURISDICTIONAL COMPARISON:**

• MPI has been in place since the late 1990's in jurisdictions throughout North America and internationally. The CFIA has implemented an MPI-style approach tailored for beef and is actively in the process of developing a comparable system for hogs.

# PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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# **Salmon Transition Plan**

## **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (AF) is committed to supporting seafood producers and processors in British Columbia (B.C.) and have been collaborating closely with them to understand the challenges they are facing.
- The transition away from open-net pen salmon aquaculture will significantly affect First
  Nations and coastal communities that participate in the sector, which was, up until
  recently, B.C.'s largest agricultural export. The Province will be working closely with
  impacted communities to assess the proper supports that are needed for the transition.
- Industry, First Nations, suppliers, as well as prospective closed-containment companies have expressed concern that the compressed timelines will harm a successful transition.
- The provincial government is committed to engaging with Fisheries and Oceans Canada (DFO) in the implementation of this transition.
- The provincial government is concerned about the broader economic pressures facing coastal communities and call on the Government of Canada to take a comprehensive approach to support transition for industries, communities, and workers.
- The provincial government has asked DFO to include socio-economic considerations in any transition plan, uphold their responsibilities to First Nations, and create a realistic plan given the importance of this decision to coastal communities and First Nations.

- On September 20, 2024, DFO publicly released their Draft Open-Net Pen Transition Plan which will ultimately result in a ban on open-net pen salmon farming by June 30, 2029.
   The sector must now move completely to marine closed containment systems or to land-based Recirculating Aquaculture Systems (RAS).
- Innovation, Science and Economic Development Canada (ISED) is now the lead federal
  agency and is coordinating engagement, development, and implementation of a final
  plan. JEDI is leading on transition planning with the Ministry of Water, Land, and
  Resource Stewardship (WLRS). AF also provides critical input with regards to subject
  matter expertise.
- Since the original 2019 federal mandate commitment that launched this initiative, the
  provincial government has consistently engaged with DFO to provide B.C.'s priorities,
  with input provided regularly through officials and via two previous Premier letters. The
  themes of this input include:
  - That any transition plan must put people first, so assurances are required that the plan will ensure workers and communities are treated fairly and provided a future economic vision.
  - That First Nations be fully engaged, acknowledging both those who object to

farming in their territory and the many who have developed their own risk assessment, their own industry partnerships, and their own vision for the future of their territory.

- That time is needed for businesses to adjust investment decisions, and supports are needed for a range of technology solutions that may provide new economic opportunities.
- Community Transition (CT) is a service provided by JEDI. This service, with support from other areas of government, offers responsive assistance to communities experiencing economic disruption, such as the loss of a major employer.
- CT services are effective in supporting workers, businesses, and communities
  experiencing significant job loss, especially when combined with other government
  programs designed to offset economic impacts. CT services will be offered to
  communities in response to net pen transition.
- The federal government is engaging with the provincial government on both the transition to alternative forms of salmon aquaculture, and broader economic development and supports for affected communities.
- Rapid transition to RAS at this point is risky given the lack of consistent technology or market success of RAS salmon producers elsewhere:
  - Globally, few producers grow Atlantic salmon to market size using closed containment or land-based RAS. Closed containment and RAS are primarily used to boost fish size before transferring to net pens for final grow-out, allowing the production population to limit the time at sea.
- Farmed salmon was recently a \$700M B.C. export commodity (2022) but has been reduced to \$436M (2023) because of recent federal, provincial and First Nations decisions.
- The sector employs a sizable portion of the aquaculture and marine harvest workforce, which provides estimated annual individual earnings of \$56,311 to \$67,699 respectively, concentrated on Vancouver Island, the Lower Mainland, and North Coast regions.

# **CROSS JURISDICTIONAL COMPARISON:**

- In 2022, B.C. exceeded its closest provincial competitors for farmed salmon production landed with \$879.6M compared to Nova Scotia at \$139.9M and Newfoundland at \$104M.
  - o In 2022, \$219M came from Newfoundland, with B.C. dropping to \$504.3M.
- B.C. is unique in Canada in that the activity of culturing seafood for commercial consumption is under federal jurisdiction. The other inland and maritime provinces regulate that activity under provincial jurisdiction.

# **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

 AF currently has one FTE position allocated to the seafood/aquaculture sector support as the Industry Specialist.

# ESTIMATE NOTE- FISCAL 2025/26

# Ministry of Agriculture and Food

Confidential Advice to Minister

- There are also:
  - Eight FTEs Seafood Inspection Program.
  - One FTE Seafood Stats and Research.
- Current FY 2024/2025 Support:
  - \$75K for Genomic Ecological Microbial Source Tracking for Oceans Nature and the Environment (GEMSTONE) to support shellfish producers and communities.
  - \$20K for extension support materials for the BC Shellfish Growers Association.
- Previous FY Support:
  - 2022 Food Security Initiative funds:
    - \$90K for the Vancouver Island University Seafood Business Accelerator (FY 2022/2023, FY 2023/2024).
    - \$106,730 for carbon sequestration research through the Hakai Institute and the Tula Foundation (FY 2022/2023, FY 2023/2024).
    - \$2M for the Climate Ready BC Seafood program to support research and adaptation to ocean acidification and hypoxia (2022-2026).
  - \$92K for site and technology assessment for land-based and closed-containment salmon farming (report not yet publicly available) (FY 2023/2024).
  - \$60K for mortality response planning for BC Salmon Farmers Association (FY 2023/2024).
  - \$10K to support the BC Young Fisherman's Gathering (2023-2024).

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# SEAFOOD INSPECTION PROGRAM OVERVIEW

## RECOMMENDED RESPONSE:

- Wild commercial fishing, aquaculture, and seafood processing is a major contributor to our economy with 4,515 British Columbians working directly in this sector, many of them in rural and remote communities (2023).
- In 2023, provincial production from wild and farmed seafood harvests totaled 161,346 metric tonnes with a landed value of \$1.19 billion (decrease of 18.9 percent from 2022).
- The Fish and Seafood Act (FSA) was brought into force in 2017 replacing both the Fisheries Act and Fish Inspection Act, which were last significantly updated in the 1960s.
- The FSA is a modern framework that streamlines licensing and improves food safety accountability in the seafood industry to better protect public health.
- The FSA is a cornerstone of the Ministry of Agriculture and Food (Ministry) commitment to growth and development of this sector, and the production of safe, wholesome seafood.
- The Ministry has four seafood inspectors, along with staff who supervise and support licensing administration and provide expert knowledge and advice to the government and the public.
- In 2024, the Seafood Inspection Program (SIP) issued 439 licences. There are 181
  provincially licensed fish receivers (annual licensing revenue of \$50,280); 98 licensed
  seafood processors (annual licensing revenue of \$49,000); and 160 licensed fisher
  vendors (annual licensing revenue of \$4,800).

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

- A vessel for the purposes of receiving fish directly from a commercially licensed fisher or a licensed packing vessel that does not hold a federal commercial fishing or packing licence.
- Fisher Vendor
  - Required by any commercial fisher who sells catch to:
    - The public for their own consumption, directly from the harvest vessel; or,
    - Restaurants or retail stores regulated under the Food Premises Regulation (Ministry of Health).
- SIP issued 439 licences in 2024 (up 4 percent from 2023).
- In 2024, SIP conducted 346 inspections (up 9 percent from 2023) and 18 investigations (down 25 percent from 2024).
- To promote food safety and encourage voluntary compliance, SIP conducted 36 targeted outreach activities to 700 regulated parties in 2024.
- Outreach activities will continue throughout 2025 as an important and necessary supplement to traditional enforcement methods.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

# **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

· Program Revenue:

2021	2022	2023	2024
\$95,800	\$95,860	\$100,830	\$104,080

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# **NEW ENTRANT STRATEGY**

# **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (Ministry) recognizes the importance of attracting the next generation of farmers and ensuring support is available to help them succeed.
- To support new farmers, the Ministry has a New Entrant Strategy with actions in three
  priority areas: Access to Land, Knowledge, and Capital.
- The Ministry provides initiatives like the B.C. Land Matching Program, delivered by Young Agrarians, the New Entrant Farm Business Accelerator Program, as well as technical services to new farmers to support access and ongoing success in the sector.
- Last year, we repeated our New Entrant Needs Assessment survey, first completed in 2019, to improve understanding of new entrants to agriculture in B.C., and to update the New Entrant Strategy, considering:
  - Demographics, farming background and prior experience,
  - o Barriers to entering the agriculture industry, and
  - Supports and sources of information most used and needed.
- We learned new entrants continue to face considerable barriers to entry. The top barriers of access to land and capital remain a challenge.
- The top three most important supports for new entrants were:
  - o Government loan and grant programs (Access to Capital)
  - Informal mentorship by another farmer (Access to Knowledge)
  - Agricultural infrastructure and technical support (Access to Capital / Knowledge)
- This research will inform the work to update the strategy and improve programming to address barriers for those entering the sector.

- The New Entrant Strategy is a Ministry initiative that informs the development of resources and programs for new B.C. farmers.
- The Ministry defines a new entrant as a farm business owner or operator who has been reporting farm income tax for under five years.
- Declining numbers of young and new farmers in B.C. and across Canada, and an increasingly high average age of current farmers represents a significant concern for continuity in the agriculture sector. According to the most recent census:
  - The average age of B.C. farm operators increased to 57.8 years in 2021 (56.2 years in 2016).
  - The number of B.C. young operators declined overall (6.9 percent to 5.1 percent), however the percentage of farms for which young operators are responsible grew from 4.2 percent to 6.6 percent between census editions.
- The Ministry's 2019 New Entrant Needs Assessment highlighted the three barriers that hinder new farmer success, these findings support the Strategy and actions regarding:
  - Access to affordable farmland,

- o Access to capital, credit, or other sources of financing, and
- Access to knowledge through mentorship, business coaching and online resources.
- In 2023/24, the Ministry worked with BC Stats to conduct an updated New Entrants Needs Assessment Survey to inform a renewed New Entrant Strategy and action plan.
  - The greatest change between cycles was a higher rating for the following barriers:
    - Lack of reliable, skilled labour;
    - Lack of access to farm business-related training; and
    - Land use and zoning regulations.
  - The top three most common barriers are consistent between 2024 and 2019:
    - Lack of grants for small farm businesses (Access to Capital)
    - Affordability of landownership (Access to Land / Access to Capital)
    - Lack of access to capital, credit, or other sources of income (Access to Capital)
- In 2022/23, the Ministry worked with Meyers Norris Penny to conduct a study on barriers and opportunities related to accessing capital for new entrants to the agriculture sector. Three key gaps were identified between the current financing and support programs that are available in B.C., and the needs of new entrants with respect to barriers they face in trying to access funding, which were:
  - A lack of knowledge of available financing programs;
  - Limited agriculture specific programs, particularly for New Entrants; and
  - Limited access to and awareness of business planning support programs.
- The Ministry is working with key stakeholders to address gaps identified in the report.
- The Ministry continues to deliver key programs to support the implementation of the New Entrant Strategy and address the most significant barriers:
  - The B.C. Land Matching Program provides land matching and business support to new farmers looking for land and landholders interested in their land being farmed (see New Entrant Programs Estimates note for more detail).
  - The New Entrant Farm Business Accelerator Program supports business planning and cost-shared purchasing of commercial farm infrastructure and equipment needed to accelerate the revenue growth of farm businesses (see New Entrant Programs Estimates note for more detail).
- The Ministry improves Access to Knowledge by providing technical expertise and professional support to new entrants through AgriService BC inquiries and updates to online educational resources.

# **CROSS JURISDICTIONAL COMPARISON:**

- B.C. provides an enhanced suite of new entrant/beginning farmer programs and opportunities compared to other provinces. Quebec is the most sophisticated of the provinces in providing land matching services as well as grant/loan programs.
- Other provinces including Manitoba, Ontario, Quebec, and New Brunswick offer loan or loan guarantee programs for the agriculture sector; B.C. does not have a loan or loan

guarantee program for new entrants specifically or for the agriculture sector generally.

- There are approximately 1.5 FTEs and part of a manager's time supporting the New Entrant Strategy and associated programs and services.
- In 2024/25, \$1.114M was allocated to program delivery in support of the strategy.

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# **NEW ENTRANT PROGRAMS**

#### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (Ministry) recognizes the importance of attracting the next generation of farmers and ensuring support is available to help them succeed.
- One of the largest barriers for new entrants to agriculture is access to land, including both the cost of agricultural land and the ability to find and secure land agreements that are affordable and suitable for agriculture.
- The B.C. Land Matching Program (BCLMP) provides land matching and business support services for new and established farmers and matches them with landholders seeking to lease their properties.
  - Farmers and landholders matched through the BCLMP are supported to develop more secure land agreements allowing farmers to focus on developing their business and increasing production.
- As of January 2025, the BCLMP supported 362 farmland matches between new farmers and landholders, resulting in 5,134 hectares (12,688 acres) of B.C. farmland brought or kept in production.
- Two years ago, the Ministry launched the New Entrant Farm Business Accelerator
  Program (NEFBA) to support new entrants with funding for the development of farm
  business plans and growth strategies, and access to cost-shared funding for the
  purchase of commercial farm infrastructure to accelerate the revenue growth of new
  farm businesses. This year, 59 new entrants were supported through the program to
  implement projects to grow their businesses.
- Both these programs support the implementation of the Ministry's New Entrant Strategy, a framework for increasing the number of new and young farmers working in B.C.'s agriculture sector.

- Recognizing the importance of supporting young and new farmers entering agriculture
  to find affordable and secure farmland, in 2018, the Ministry launched the BCLMP,
  delivered by the Young Agrarians (YA), which is now expanded with dedicated land
  matchers for the Okanagan, Metro Vancouver/Fraser Valley, Vancouver Island,
  Columbia Basin, and Central/Northern B.C.
- Program activities include:
  - An online and searchable inventory of B.C. land.
  - Personalized and regionally based matchmaking services for new farmers and landowners, including referrals to business and technical support services.
  - Educational events and resources to increase knowledge/matches.
- More than 78 percent of the matches arranged through the BCLMP are in regions with high real estate prices including Metro Vancouver/Fraser Valley, Vancouver Island, and the Okanagan.

- As of January 2025, the BCLMP supported 362 farmland matches between new farmers and landholders, resulting in 5,134 hectares (12,688 acres) of B.C. farmland brought or kept in production.
  - Finalized land matches by region: Metro Vancouver/Fraser Valley (95), Vancouver
     Island (104), Okanagan (87), Columbia Basin (42), Central and Northern BC (34).
- As of January 2025, the BCLMP achieved 36 matches totaling 516 acres within FY24/25 and final numbers for the year will be reported in March 2025.
- Recognizing the importance of supporting young and new farmers entering agriculture
  to access capital, new farm businesses can receive support through the NEFBA
  program to develop a business plan and growth strategy and access cost-shared
  funding to make investments necessary to achieve farm income growth goals, ensure
  commercial viability, and strengthen financial sustainability.
  - NEFBA has two Phases of program delivery: Phase 1 is business planning; and Phase 2 is cost-shared funding for infrastructure to implement a growth strategy.
  - For Phase 1 (FY23/24) of the program, \$122K funded 76 participants to complete either Stream 1 (60) or Stream 2 (16) to self-develop or work with a qualified consultant respectively, to develop their business plan.
  - For Phase 2 (FY24/25) funding, \$634K was allocated to 59 participants. Eligible expenses for participants included the purchase or expansion of farm equipment or infrastructure, participants had to demonstrate how their proposed project would:
    - Improve crop quality, increase crop yields, decrease losses to pests and wildlife:
    - Increase production capacity;
    - Increase labour productivity through tools, machinery, new technology;
    - Increase productivity of livestock;
    - Increase on-farm processing/primary value-added activities; or,
    - Increase market access.

# **CROSS JURISDICTIONAL COMPARISON:**

- Apart from Quebec, British Columbia is the only province or territory in Canada to support regional agricultural land matching services.
- Young Agrarians (YA) are currently in discussion with representatives from Manitoba to discuss support for land matching. YA hope to expand to other provinces through national program and Agriculture and Agri-Food Canada support.
- YA have accessed federal funding to expand their programming in B.C. and into other provinces.

## PROGRAM EXPENDITURE / REVENUE IMPLICATION:

\$480K is allocated to Young Agrarians for the delivery of the BCLMP in FY24/25; funding
is from the Building Sector Capacity Growth and Competitiveness Priority area of the
Sustainable Canadian Agriculture Partnership Agreement.

# ESTIMATE NOTE- FISCAL 2025/26

# Ministry of Agriculture and Food

Confidential Advice to Minister

 \$634K is allocated to NEFBA program (Phase 2 projects) in FY24/25; funding is from the Building Sector Capacity Growth and Competitiveness Priority area of the Sustainable Canadian Agriculture Partnership Agreement.

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# **Youth Development**

#### RECOMMENDED RESPONSE:

- The Ministry of Agriculture and Food (Ministry) recognizes the importance of attracting the next generation into the sector and helping them succeed.
- We continue to support youth engagement and education through the development and delivery of resources and programs in the following areas:
  - Delivering agriculture and community leadership education to 4-H British Columbia (4-H BC) youth members and volunteers.
  - Leading K-12 youth engagement efforts and initiatives to increase agriculture and local food literacy among youth in B.C. schools.
- The Ministry has had a longstanding partnership and funding agreement with 4-H BC.
   Our Youth Development Program staff contribute to the development and delivery of educational content for youth and volunteers and the 4-H BC programs are delivered in partnership with Ministry staff.
- Over the past year, in partnership with the Ministry of Education and Child Care, we are also working on the integration of agriculture and food literacy components into Feeding Futures school meal programs across the province.

- The Ministry's Youth Development team supports agriculture education and local food literacy initiatives for B.C. youth and delivers agriculture and community leadership education to 4-H British Columbia (4-H BC) members and leaders. This work includes:
  - Developing resources and programs to support schools in integrating local food literacy concepts into school meal programs (see Estimate Notes Feed BC and Feeding Futures – FBB/FSPU).
  - Collaboration with school-based education organizations on K-12 agriculture literacy initiatives such as: the Great B.C. School Food Cook-Off, signage and student activity sheet series featuring B.C. foods, and teacher led resource and lesson plan development.
  - Management of the 4-H BC grade 11 and 12 external credits program, including development and administration of 4-H student exams on topics such as husbandry, livestock nutrition, and marketing.
  - Development and delivery of conferences and programs for youth, train-thetrainer sessions for 4-H volunteer leaders, and development of 4-H program learning materials (manuals, videos, score cards, etc.). Topics covered include farm and food safety, environmental stewardship, animal husbandry, biosecurity, horticulture, communications training, leadership development, and agriculture and food systems career opportunity awareness.
  - Leading Ministry's K-12 youth engagement efforts including representing Ministry on provincial and national youth in agriculture organization committees and boards to influence policy and program direction.

- Leading or supporting youth engagement and outreach initiatives related to Ministry programs and services.
- The Ministry currently has a 10-year MOU with 4-H B.C. that expires March 31, 2025, and is in the process of determining an updated partnership agreement.

# **CROSS JURISDICTIONAL COMPARISON:**

# 4-H Programs:

- Provincial 4-H programs receive financial support from the provincial agriculture ministry in all provinces on initiatives such as program delivery, committees, or project content support in all provinces except Quebec, Newfoundland, and New Brunswick.
- 4-H Canada receives federal funding through Agriculture and Agri-Food Canada (AAFC).
- B.C. is viewed as a national leader in terms of the relationship and program delivery support provided by the Ministry of Agriculture and Food though it provides less direct funding than some other provincial jurisdictions.

#### **School Programs:**

- Provincial Agriculture in the Classroom (AITC) organizations receive support from their respective provincial governments in all provinces. In PEI and Nova Scotia, Agriculture in the Classroom is delivered as a government program.
- AITC Canada receives federal funding through AAFC.
- Provincial Farm to School or similar affiliated organizations exist in all provinces except PEI and Saskatchewan. Provincial Farm to School organizations receives support from provincial governments in at least six provinces. Sources of funding vary but often include the Ministry of Health and/or Agriculture.
- Farm to Cafeteria Canada, the national umbrella organization connected to Farm to School, is funded in part by the Government of Canada.

- For FY24/25 there were 3 FTEs to support Youth Development programs and services.
- Total program budget in 2024/25 was \$307k, of which \$110K was Sustainable CAP and \$197K was base funding.

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# **NUTRIENT MANAGEMENT PROGRAM**

#### **RECOMMENDED RESPONSE:**

- Ministry of Agriculture and Food (AF) staff implement a Nutrient Management Program (NMP) that provides the training (extension) and tools to support producers' compliance with the Ministry of Environment and Parks (ENV) legislation (the Code of Practice for Agricultural Environmental Management (AEM) under the Environmental Management Act).
- Nutrient management helps farmers make more effective use of soil amendments (manure, fertilizers, composts, etc.). NMP helps farmers to grow crops profitably and to improve soil health, all while reducing the risk of greenhouse gas (nitrous oxide) emissions and risks to the environment.
- AF's NMP addresses issues primarily related to the effects of agricultural activities on water quality, including the following:
  - Hullcar Aquifer (North Okanagan) has elevated nitrate levels, compromising the quality of drinking water for members of the Splatsin Nation and other residents in the Hullcar Valley.
  - The Shuswap watershed has surface water bodies, such as Shuswap Lake, that experience algal blooms potentially due to phosphorus loss in runoff from agricultural fields. The Shuswap Watershed Council, a non-regulatory group comprised of the Secwepemc Nation and others, is concerned about the impacts of algal blooms on fish and aquatic life, recreational value, and toxins harmful to people, pets, and other animals.
  - Fecal coliforms in the transboundary Nooksack River watershed: a concern is contamination in the Portage Bay shellfish beds of the Lummi Nation in Washington State, with a significant contribution of fecal coliforms from the Canadian (Langley/Fraser Valley) side of the watershed. Despite perceptions of British Columbia (B.C.) agriculture's role, the evidence does not support the notion that agriculture is a main contributor on the Canadian side among the multiple sources (e.g., human sewage) of fecal coliforms that were found.
  - Somenos Lake (North Cowichan) had an algal bloom and fish-kill in summer
     2024. Although it may be an emerging issue for agriculture, staff with the local municipality do not link the bloom to recent agricultural activities.
- Regardless of the extent to which B.C. farmers or ranchers contribute to pollution, AF's NMP targets Extension and Outreach activities to help farmers demonstrate how they reduce the risk of pollution of surface and ground water.
- AEM phases in nutrient management requirements for nearly all agricultural sectors over multiple years. Since 2019, geographic areas of the province that are specified in AEM have been progressively 'phased in' or added to the areas where producers may be required to have a nutrient management plan. In July 2024, the full set of areas that are specified in AEM were phased in.

 AF supports producers' nutrient management goals and compliance with AEM legislation through the maintenance and expansion of (1) extension and outreach including the delivery of NMP training and decision-support tools; (2) cost-share funding to support the adoption of beneficial nutrient management practices.

#### **BACKGROUND:**

#### 1) Extension and Outreach

To help farmers demonstrate how they are managing manure and nutrients to help address environmental (water quality) issues, and to help them meet regulatory obligations, AF provides the following extension and outreach activities:

# Nutrient Management Plan (NMP) training

- NMP training course developed and offered by AF is the only course approved under AEM to train NMP planners in B.C. (e.g., those individuals that farmers and ranchers need to prepare the technical NMP documents).
- AF aims to provide producers with access to professionals who are qualified to complete NMPs for farmers. Currently, 30 qualified professionals are offering NMP planning services to B.C. farmers, and there are approximately 100 program participants in progress with the training.
- New NMP resources and publications have been developed for tree fruits, berries, and annual vegetables to support development of NMPs in these sectors, as they have recently been phased-in under AEM.
- AF now offers in-person intensive training sessions that allow for quicker course completion to increase the number of nutrient management planners.
- Current work to adapt the training to different sectors as growers have expressed interest in developing their own NMPs, as allowed under Professional Governance Act.

# **Decision-Support Tools**

- AF developed a suite of online tools, including the Nutrient Management Calculator (NMC), the BC Application Risk Management (ARM) Tool, and the Phosphorus Index tool.
  - NMC: Facilitates development of NMPs using different nutrient sources, such as fertilizer, manure, and compost. Online tool used by farmers, consultants, and extension experts to determine optimum rates of the macronutrients nitrogen, phosphorus, and potassium to apply based on region, soil fertility, and crop demand.
  - ARM Tool: Online tool used by farmers to determine the best time and conditions for manure application to avoid runoff. Approved by ENV under AEM for use as a 'risk assessment' that farmers must complete prior to manure application in the South Coast in October, February, and March.
  - Phosphorus Index Tool: Risk assessment tool developed to help farmers manage phosphorus loss from their farm, which is a major contributor to algal blooms in

surface water. The tool has been tested with farmers and agrologists and will be released soon.

- Recent developments to broaden applicability of NMC to more sectors include the addition of blueberry and raspberry crops and a fertigation tool.
- Future work planned to add wine grapes and strawberries to the calculator.
- Publication of a new extension bulletin aimed at helping farmers to manage excess manure and reduce the risk of nutrient loss to sensitive water bodies.

# Outreach (Extension)

- To promote and inform farmers and other agrologists on nutrient management, AF
  typically coordinates or participates in several different research, demonstration, or
  outreach and education events. Additionally, AF supports both industry and
  government by raising awareness and knowledge of AEM.
- Research and Demonstration projects:
  - Hullcar post-harvest nitrate study: Annual testing of post-harvest nitrate levels in agricultural soils as an indicator of prudent nitrogen management is part of AF's response to the nitrate issue in groundwater in the Hullcar Aquifer.
  - Wood Ash Forage Fertilization trial: Field trial examining the liming capacity of wood ash and potential interactive effect of nitrogen fertilization to support B.C. cattlemen and forage producers.
- Outreach and Education: Multiple field days, workshops, and presentations on nutrient management in collaboration with industry associations, the British Columbia Institute of Agrologists, and the Investment Agriculture Foundation.
- Regulatory support: AF regularly provides presentations, webpages, factsheets, and other outreach on AEM.

# 2) Cost-Share Funding

 To date, \$2.65M in cost-share funding has been approved for 111 "Nutrient and Waste Management" projects in 2024/2025. This funding is delivered through the Beneficial Management Practices (BMP) program. These projects help producers across the province and multiple sectors achieve nutrient management goals while supporting their compliance with environmental legislation.

# **CROSS JURISDICTIONAL COMPARISON:**

 Across Canada, the provincial ministries of agriculture have a similar role as AF with respect to nutrient management: providing farmers with the training and tools to support compliance with legislation and protect the environment. Similarly, the environment ministries are responsible for the legislation, compliance and enforcement of it, in B.C. and other provinces.

- NMP is part of the S-CAP Environment and Climate Extension (\$1.0M) and Climate Research and Tool Development programs (\$0.6M).
- Through quarter three of FY 2024/2025, \$2.65M was approved for Nutrient and Waste Management on-farm projects through BMP. Funding was provided by S-CAP and CleanBC.
- AF has three FTE positions supporting nutrient management program activities.

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# Plant Diseases and Pests – Little Cherry Disease, Dutch Elm Disease, Armyworms, Japanese Beetle, Spongy Moth

# **RECOMMENDED RESPONSE:**

- Invasive pests, including plant pathogens, insects, and weeds, pose ongoing challenges
  to agriculture, and new pest incursions may occur unexpectedly. The Ministry of
  Agriculture and Food (AF) is collaborating with stakeholders in the agriculture sector
  and provincial agencies to mitigate and reduce the risk of pest outbreaks.
- AF entomologists, plant pathologists, and industry specialists provide expert guidance to affected producers, farmers, growers, and residents in B.C. They also coordinate nationally with the Canadian Food Inspection Agency (CFIA) to address issues related to pests, pathogens, and invasive species from other provinces and international sources.
- AF works closely with partner organizations to prevent, contain, eradicate, and manage critical pests, ensuring that both the agricultural sector and the public remain informed about emerging threats.
- Although these programs require significant resources including staff time and funding, prevention and early intervention remain the most cost-effective strategies for minimizing long-term impacts on agriculture and the environment.
- While B.C. has managed numerous pest and plant pathogen issues over the years, the
  latest trends indicate an increase in both new pest and pathogens of concern and the
  number of invasive species that could potentially devastate the agricultural sector. Early
  monitoring and surveillance are essential for promptly identifying these issues,
  enabling swift intervention measures and effective support for farmers and the broader
  agricultural community.
- The Plant Health Unit within AF is primarily subsidized by the Sustainable Canadian Agricultural Partnership (S-CAP). S-CAP funds all monitoring and surveillance projects and initiatives, while the Province funds the Plant Health Laboratory (PHL). The PHL operates on a cost recovery basis by charging clients for its diagnostic testing services.

## **BACKGROUND:**

## LITTLE CHERRY DISEASE AND X-DISEASE:

- B.C. is a national leader in cherry production, with 15.6 tons produced, valued at \$64.8 million in 2021.
- A Little Cherry Disease (LCD) Task Force, with members from industry, federal and provincial governments, and consultants, was formed in 2020 to work on surveillance and management of LCD in Interior B.C.
- LCD is a federally and provincially regulated disease of sweet cherries. It is caused by
   Little cherry virus 1 (LChV1) and Little cherry virus 2 (LChV2). Both have been detected in
   B.C. and can be moved by infested planting stock (sweet and ornamental cherry trees).
   LChV2 is transmitted by mealybugs that can be found in apples and grapes. The vector
   for LChV1 is unknown.

- X-disease, caused by the phytoplasma Candidatus Phytoplasma pruni, is a serious threat that has led to significant yield losses in Washington (WA) and Oregon (OR). Between 2015 and 2020, an estimated \$95 million USD in revenue was lost due to tree removals.
- In B.C., a detection in Cawston in 2022 prompted further surveys by AF. This resulted in the identification of one positive block in Kelowna in 2023 and additional detections in Osoyoos in 2024. Affected trees were subsequently removed by growers.
- X-disease is transmitted by a few species of leafhoppers, and these have been found to be present in sweet cherry-producing regions of B.C.
- In 2025, Agriculture and Agri-Food Canada (AAFC) and industry will continue surveying trees for LCD and X-disease. AF will continue its educational outreach, focusing on nursery growers, while also testing samples as needed.
- AF PHL is accredited to test suspect plant tissue and will continue to accept samples from orchards in 2025.

#### **DUTCH ELM DISEASE:**

- Dutch Elm Disease (DED), caused by Ophiostoma ulmi and Ophiostoma novo-ulmi, is a
  federally regulated disease that rapidly kills American Elm trees. These non-native
  urban trees are widely found in towns across the province. The disease is spread by the
  European elm bark beetle (Scolytus multistriatus) and the banded elm bark beetle
  (Scolytus schevyrewi), both present in B.C., as well as the native elm bark beetle
  (Hylurgopinus rufipes), found in central and eastern North America.
- DED was detected by the CFIA for the first time in B.C. in June 2024, in the Rossland-Trail area in dying American Elm (*Ulmus* sp) trees. Two trees were tested and confirmed positive for DED by the CFIA. Several other trees in the area were visually assessed as likely to have DED, based on symptoms.
- B.C.'s nursery industry produces elm trees for sale in Alberta (AB), which is considered DED-free. This is an important market for B.C. growers, who may lose it if DED becomes widely established in the province.
- AF is collaborating with partners to develop a response plan for 2025, including surveys, management strategies, diagnostic testing, and outreach efforts targeting municipalities, industry stakeholders, and the public.

#### ARMYWORMS:

- The Western Yellowstriped Armyworm (Spodoptera praefica) was first discovered in the Okanagan in 2018, with surveys conducted from 2019 to 2021 and in 2023.
- True Armyworm (*Mythimna unipuncta*) was first discovered on Vancouver Island and in the Fraser Valley in 2017. Surveys and research occurred from 2018 to 2022. While moths have been caught each year, there have been no further outbreaks or associated damage to grass hay and corn crops.
- Winter Cutworm (*Noctua pronuba*) reports increased dramatically in October and November 2024 from central Vancouver Island. These cutworms overwinter as large larvae and feed during mild temperatures, causing damage to grass fields.
- Regions will continue to monitor for these pests in 2025 with advice from AF staff.

## JAPANESE BEETLE:

- Japanese beetle (*Popillia japonica*) is a regulated pest in Canada and the United States (US). Remaining pest-free allows for continued trade opportunities for the nursery and ornamentals sector.
- Both the larvae and adult beetles feed directly on many agricultural crops.
- Successful eradication takes several years, and partnerships with other agencies are critical for success. Currently there are more than eight partners involved in the response, including the federal and local governments, non-governmental organizations, and industry.
- The eradication program has had success in 2024, zero beetles were caught in Vancouver. The treatment area in Burnaby is shrinking, and beetle numbers remain low. In Port Coquitlam, the treatment area is significant, but beetle numbers have not increased, and the size of the impacted area has remained stable since 2023.
- In 2024, a small number of beetles were captured in downtown Kamloops at Exhibition Park along the river. Treatment for the affected turf area is planned for 2025, following the same protocols used in other cities.
- AF is working directly with the affected municipalities to plan the 2025 treatment programs.

# SPONGY MOTH:

- Spongy moth (Lymantria dispar dispar) is a regulated pest in Canada and the US.
   Remaining pest-free allows for continued trade opportunities for the nursery and ornamentals sector, as well as any other conveyances the pest can be moved on any goods, plant, or non-plant, due to its overwintering egg masses.
- The Ministry of Forests (FOR) has led eradication efforts for 25 years. Eradication
  activities include aerial sprays and mass trapping, which are costly, between \$400,000
  and \$1 million per year plus staff time, depending on the size and number of treatment
  zones.
- CFIA continues to run the annual survey in B.C. in partnership with FOR.
- Other Ministries, including AF, are partners but have played a smaller role.
- In 2024, FOR announced they will no longer be leading eradication efforts for spongy moths. This program often includes aerial sprays overpopulated areas, depending on where moths are caught, such as parts of Vancouver Island and Metro Vancouver.
- As a result of FOR's decision, in 2025 there will be no aerial spray program for spongy moths. This could have serious implications for B.C. industry and the environment in the future if the pest spreads and becomes established. It also has potential trade implications for the province.

# **CROSS JURISDICTIONAL COMPARISON:**

# Little Cherry Disease and X-Disease:

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

#### **Dutch Elm Disease:**

 This disease is present in other parts of North America where elms are grown. AB and Saskatchewan have provincial programs to monitor and manage the disease. Many Canadian cities have aggressive programs to prevent the disease and remove any infested trees, as elm is an important urban and landscape tree.

#### Armyworms:

- True Armyworm periodically affects cereal and grass forage crops in various provinces in Canada, leading to potentially significant yield losses. Some growers do apply foliar insecticides to manage the larvae and limit damage. In the US, outbreaks were reported in 2017 in Northern California (CA), Western OR, and WA. Like B.C., there was no outbreak in WA between 2018 and 2024.
- Periodic outbreaks of the Western Yellowstriped Armyworm have been observed across western North America.
- Winter Cutworm outbreaks have been recorded in past years in the Midwest US, primarily affecting grass fields and turf between October and November. Landowners have implemented treatments to manage infestations.

# Japanese Beetle:

- Successful eradication requires a multi-year program, as demonstrated by efforts in CA, WA, and past experience in Vancouver.
- Ongoing communication between the Western US, CFIA, and AF ensures coordination, as eradication efforts continue in WA and OR.

# Spongy Moth:

- Spongy moth is established in eastern North America, where it is actively managed to slow its spread and limit the impact of this aggressive defoliator on urban and landscape trees, as well as natural forests.
- The pest has been at outbreak status for the past five years in the east, leading to a high rate of incursion into B.C. and resulting in large, costly eradication programs from 2021 to 2024, led by FOR.

- In addition to staff time, responses for plant diseases and insect pests are funded through S-CAP projects.
- For 2025, the estimated project costs are:
  - o Japanese beetle: \$600,000.
  - o Little Cherry Disease / X disease: \$150,000.
  - o Dutch Elm Disease survey and outreach: \$30,000; and
  - Armyworms, Spongy moth, and any newly emerging or currently unanticipated pests: up to \$50,000 under the "Emerging Pests" project.

Approved by:	Approved by:	Prepared by:	Alternate Contact:
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# Premier's Task Force on Growth and Competitiveness

## **RECOMMENDED RESPONSE:**

- British Columbia (B.C.)'s agriculture and food sector continues to face critical challenges, including escalating input costs, stagnant productivity, intensified global competition and retailer consolidation, climate adaptation, limited access to capital and land, high labour and land costs, uncertainty around water access, and now the potential impact of the United States tariffs.
- That is why the Premier and I are standing up a Premier's Task Force on Agriculture and Food Growth and Competitiveness, co-chaired by our Ministry's Deputy Minister, Michelle Koski, Danielle Synotte, the Executive Director of the BC Agriculture Council (BCAC) and James Donaldson, the CEO of the BC Food and Beverage (BCFB).
- This Task Force is going to help industry and government work more closely together to chart a course for the sector that tackles these critical challenges.

#### **BACKGROUND:**

- Over the course of 2024, the BCAC and the BCFB have advocated for a Task Force and strategy on B.C. agri-food competitiveness and growth.
- Post-election, Ministry of Agriculture and Food (the Ministry) staff met with BCAC and BCFB to develop a draft Terms of Reference, confirm the priority issues that businesses want to focus on, and vet a list of potential Task Force members.
- The Task Force was confirmed in the Premier's mandate letter, which tasks the Ministry
  with prioritizing a Task Force to grow the profitability and success of the sector, and the
  Minister Popham announced the Task Force at the 2025 BC Agri-Food Industry Gala on
  January 22, 2024.

# **CROSS JURISDICTIONAL COMPARISON:**

 Ontario, Quebec and Alberta have all developed strategies focused on agriculture and food sector growth and competitiveness within the last five years.

- This project is not included in the current Fiscal Year 2024/25 budget.
- The current estimate is \$200,000, including two Full Time Equivalents for the Fiscal Year 2025/26.

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# Appendix: List of Task Force Members

#### Co-chairs

- Michelle Koski, Deputy Minister, Ministry of Agriculture and Food
- Danielle Synotte, Executive Director of BC Agriculture Council
- James Donaldson, CEO of BC Food and Beverage

# **Primary Agriculture**

- Jennifer Woilke, BCAC President/Owner of Farmer Ben's Eggs (Vancouver Island based poultry operation, 35-acre hazelnut orchard, 50+ head cow/calf operation)
- Annelise Grube-Cavers, BCAC Organic Sector rep/Co-owner Fresh Valley Farms (Okanagan certified organic beef, chicken, turkey, and heritage pork, food system researcher)
- Nav Bains, Vice-President, Operations, Marketing & Procurement, Westberry Farms
- Chris Bodnar, PhD, assistant professor at UFV and SFU on agricultural business, organic farmer, consulting agrologist and expert in agricultural co-operatives

## Food Processing

- Jasmine Byrne, COO of Big Mountain Foods Ltd. (Alternative proteins products, BCFB Board Vice Chair, Winner of BIV 40 under 40)
- Jim Pratt, CEO Rhema Health Products (former BCFB board chair, Investment Agriculture Foundation Board Member, former Canadian Food Innovation Network Board Member)
- Angela Doro, President of Freybe Gourmet Foods (Lower Mainland value-add meat products with 450 employees, runner up of BIV 2024 Women Leader of the Year)

#### Seafood

- Larry Johnson, President of Nuu-chah-nulth Seafood (Vancouver Island First Nation leader, owner of St. Jean's Cannery/ Raincoast/ Gratitude Seafood)
- Steve Pocock, Owner of Sawmill Bay Oysters

## Retail and Supply-Chain

- Jamie Nelson, COO and EVP Merchandising of Pattison Food Group, worked from clerk to top operational leader of Save-on-Foods, Chair of the Canadian Federation of Independent Grocers, Buy BC Retail Partner
- Cameron Bowles, Vice President, National Sales, Sysco (multi-national broadline distributor who worked with Ministry on Feed BC initiatives)

## Thought Leadership

 Rory McAlpine, Director of Invest in Canada, and the Maple Leaf Institute for Food Security, Chair of the Canadian Agri-Food Policy Institute (former Senior Vice-President, Maple Leaf Foods, former DM of the Ministry of Agriculture and Food 2002-2005, former board member on Food and Beverage Canada)

# AgriStability

## **RECOMMENDED RESPONSE:**

- AgriStability is a low-cost program that helps farmers manage large income losses due to disaster, poor production, rising costs, or bad market conditions.
- AgriStability is designed to provide income protection at the whole farm level using each farm's unique history to create personalized coverage.
- AgriStability is playing a critical role in helping B.C. farms recover from the 2023 drought, Avian influenza outbreaks and extreme winter cold in 2023 and 2024, and severe market declines for many B.C. crops the past two years. More than \$50 million has been paid for the 2023 losses.
- For B.C. farms not enrolled for 2024 year, the Province implemented Late Participation for the 2024 AgriStability program year; this allows producers to sign up until April 30, 2025.
- A new B.C. AgriStability customer service model makes the program faster, simpler, and more predictable. The Notice of Loss and Early Interim Payment options improve the ability for the AgriStability program to provide funding in a timely manner.
  - In 2023, 271 producers received more than \$25 million in early payments through the B.C. AgriStability program.
  - More than \$11 million in advances has already been paid to 55 farm operations for 2024.
  - To help with cash flow issues, administrative changes continue to ensure fast turnaround time for interim payments; funds are available in 30 days or less.
- AgriStability participants will receive more coverage for losses in 2024. Through the 2024 B.C. AgriStability Enhancement Program, the B.C. government is providing greater coverage to help farmers better manage hard times. All clients enrolled in AgriStability's 2024 program year can benefit from the Enhancement Program. Details:
  - Increased the compensation rate by 10 percent: increasing AgriStability's 80 percent compensation rate to 90 percent on large income declines.
  - o Increased AgriStability's existing \$3 million payment limit to \$6.2 million.
  - o Extended the 2024 AgriStability enrolment deadline to April 30, 2025.
  - Increased Early Payments (Interims) in 2024 from 50 percent to 75 percent for requests made by the March 31, 2025, deadline.

- AgriStability is a profit margin-based income stabilization program, which protects B.C. farmers against income declines beyond their control.
- AgriStability program payments to B.C. producers totaled over \$400 million for the period of 2007 to 2024.

- AgriStability payments are calculated using income and expense information from farm taxes and provided by the Canada Revenue Agency. A claim is paid if the profits (margin) in the claim year fall more than 30 percent below the average of prior years.
- Large financial losses in a program year are mitigated by AgriStability, allowing
  producers to adapt to production and market signals. However, AgriStability was
  designed to not mask long-term changes in market realities, as a result coverage does
  decline after three years of consecutive losses.
- Under S-CAP, the AgriStability compensation rate has increased from 70 to 80 percent.
   In addition, B.C. has developed a new AgriStability customer service model that is
   faster, simpler, and more predictable. The key components of the revised model are a
   simplified reference margin option, claim notice of loss process and more early interim
   payments, and a coverage notice option that makes the AgriStability program more
   predictable. Get more information at <a href="https://www.gov.bc.ca/agristability">www.gov.bc.ca/agristability</a>.
- The federal Advanced Payment Program and Farm Credit Corporation require farmers to enrol in AgriStability as security on loans.

# **CROSS JURISDICTIONAL COMPARISON:**

- AgriStability is available Canada-wide. It is delivered by provincial administrations in B.C., Alberta, Saskatchewan, Ontario, Quebec, and Prince Edward Island. Agriculture and Agri-Food Canada provide the administration for other provinces and territories.
- Only British Columbia, through the implementation of the 2024 B.C. AgriStability Enhancement Program, is increasing accessibility and coverage for B.C. producers experiencing challenges due to:
  - Increased input costs.
  - Avian influenza.
  - BC Tree Fruit apple packinghouse closure.
  - Very low grape and tree fruit production in the Okanagan.
  - Market loss or low prices for many other sectors.
- The 2024 B.C. AgriStability Enhancement Program will pay an additional \$15 million to producers who are suffering from income decline in 2024.

- Annually, approximately 2,500 B.C. farmers are enrolled in the AgriStability program.
- Program costs are shared 60 percent by Canada and 40 percent by British Columbia.
- Due to the many production and market variables covered by the Program, payments vary significantly from year to year depending upon weather, rising costs, and market conditions.
- Forecasted payments from recent years are as follows:
  - 2024 program year payments are forecasted at \$62.5 million.
  - 2023 program year payments are forecasted at \$58 million.
- B.C.'s share of expenditures (program payments and administration costs), for the AgriStability program are funded by the Agriculture Income Stabilization Trust. The Trust

# ESTIMATE NOTE- FISCAL 2025/26

# Ministry of Agriculture and Food

Confidential Advice to Minister

is designed and funded to manage annual fluctuations in payments under the AgriStability and AgriInvest programs.

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# AGRICULTURE WILDLIFE PROGRAM AND WILDLIFE DAMAGE MITIGATION INITIATIVES

## **RECOMMENDED RESPONSE:**

- The Agriculture Wildlife Program (AWP) has been in place since 2008 and provides compensation to producers who have experienced losses from designated wildlife.
   Farmers and ranchers view this program as an important tool for addressing issues of wildlife damage to their crops and livestock.
- AWP compensates for losses of:
  - Forage and grain crops caused by designated wildlife.
  - Beef cows and sheep caused by designated wild predators.
- In addition to compensation, the Ministry of Agriculture and Food has a goal of
  preventing and reducing adverse interactions between wildlife and agriculture in the
  first place. The Ministry's Wildlife Damage Mitigation Initiative promotes the use and
  development of prevention and mitigation strategies.
  - Under this Initiative, the Ministry shares the cost of funding mitigation and prevention activities with producers who have persistently large losses to reduce the loss and need for continued compensation.
  - Wildlife Damage Mitigation is a step toward a larger policy objective of working with other ministries and producers to develop opportunities and tools to manage proactively adverse interactions between wildlife and agriculture.
- The Ministry continues to work with other government agencies and industry groups to improve program effectiveness and efficiency, and to manage adverse interactions between agriculture and wildlife.

- The AWP provides compensation to grain, forage, beef, and sheep producers for non-insurable losses to crops and livestock caused by designated wildlife.
- The AWP is accessed by up to 600 producers each year.
- The AWP allows for payments of up to 80 percent of verified losses caused by designated wildlife (primarily ungulates, waterfowl, and predators) to forage, grain crops, and livestock. Program costs are shared by the federal government, under the Sustainable Canadian Agricultural Partnership agreement (S-CAP).
- The AWP was developed with input and support from the British Columbia Cattlemen's Association (BCCA), BC Grain Producers Association, B.C. Forage Council, and other British Columbia (B.C.) ministries.
- In 2013, the Ministry developed the Wildlife Damage Mitigation Initiative (WDM) to
  provide financial assistance to producers with persistent and significant losses to help
  them implement prevention and mitigation measures to reduce losses and damage
  due to wildlife. In addition, WDM reduces compensation and helps the Province to
  comply with S-CAP requirements to provide mitigation initiatives to gain federal
  cost-sharing of AWP compensation payments.

- Beef and sheep loss caused by predators are verified by the Conservation Officer Service and supported by the BCCA under the Livestock Protection Program (see Estimates Note Livestock Protection Program).
  - As of 2021, the BCCA provides verification, predator control, and mitigation services for problem wolves and coyotes to cattle and sheep producers.
  - B.C. expanded the Program in 2019 to compensate sheep producers for verified predation losses.

# **CROSS JURISDICTIONAL COMPARISON:**

- B.C. and Alberta, along with the other provinces, compensate for up to 80 percent of verified losses, which is the maximum cost-shared by the federal government.
- The WDM is unique to B.C. and is not cost-shared by the federal government.
  - Other jurisdictions compensate for predation losses for numerous livestock types, whereas B.C. covers losses to sheep and cattle.

- Claim payments in fiscal 2024/25 were about \$8.7 million, largely due to elevated wildlife damage due to the drought conditions in some regions in 2024.
  - \$80,000 is budgeted annually for the WDM initiatives.

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# 2024 BC AgriStability Enhancement Program

#### **RECOMMENDED RESPONSE:**

- In response to widespread losses from drought, avian influenza, and catastrophic winter cold damage to the tree fruit and wine grape sectors, the government of British Columbia implemented the \$15 million 2024 BC AgriStability Enhancement Program to help farmers better manage income losses.
- For Farmers enrolled in AgriStability for the 2024 Program Year, the 2024 BC
  AgriStability Enhancement Program raises AgriStability's 80 percent compensation rate
  to 90 percent on income large declines, and it also increases the existing \$3 million
  payment limit to \$6.2 million. In addition:
  - Advance payments, with agreement from Canada, were also expanded from 50 percent to 75 percent of a farmer's estimated final payment, improving cash flow for affected producers.
  - Late Participation was implemented, with agreement from Canada, for the 2024 AgriStability program year, this allows farmers who did not enrol in AgriStability for 2024 to sign up under Late Participation until April 30, 2025.
- B.C. is a strong advocate for national program improvements and will continue its work with federal, provincial, and territorial partners to improve AgriStability nationally. We will continue to consult with industry on a new AgriStability model that will be faster, simpler, and more predictable when catastrophic events occur.

#### **BACKGROUND:**

- The B.C. government established the 2024 BC AgriStability Enhancement Program in response to widespread losses in the farming sector due to catastrophic events in 2024, primarily the January freeze event which destroyed 90 percent of the grape crop and a majority of the cherry crop. The program increased the AgriStability program compensation from 80 percent to 90 percent on income declines greater than 30 percent and increased the \$3 million payment limit to \$6.2 million.
- AgriStability was introduced in 2008 to provide financial support to Canadian farmers experiencing catastrophic declines (greater than 30 percent) in their farm income due to factors like production losses, increased costs, or market conditions.
- Late Participation for the 2024 AgriStability Program Year was made available with agreement from Canada. Farmers can enrol until April 30, 2025, and will pay an initial \$300 fees, with the remaining fee when they receive a program payment. The support payment criteria of AgriStability will be used; however, a 20 percent deduction will be applied to any payable benefit.

# **CROSS JURISDICTIONAL COMPARISON:**

The 2024 BC AgriStability Enhancement Program is unique to British Columbia from a national perspective.

- 2024 BC AgriStability Enhancement Program payments are forecasted to be \$15 million.
   Due to the many expense and revenue variables that are beyond each producer's control, the total Program payments may vary.
- The Program is fully funded by B.C.
- The Program is funded out of the Agriculture Income Stabilization Trust. The Trust is designed and funded to manage annual fluctuations in payments under the AgriStability and AgriInvest programs.

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# **BUSINESS RISK MANAGEMENT OVERVIEW**

## RECOMMENDED RESPONSE:

- Business Risk Management (BRM) programs play a critical part in providing tools for farmers to manage both production and financial risks and are essential to encourage and foster continued investment in the sector.
- British Columbia (B.C.) continues to support these programs through the Sustainable Canadian Agricultural Partnership (S-CAP), which shares the costs with Canada. (60 percent by Canada and 40 percent by B.C.)
  - Under S-CAP, 2023 through to 2027, BRM programs will provide an estimated \$392 million in support to B.C. farmers.
- S-CAP sets out a requirement for a national review of BRM programs. The ministry, with input from industry leaders, is working collaboratively with Canada and the other provinces to develop and implement program changes to continually improve the suite of programs.

- Business Risk Management (BRM) programs are cost-shared with Canada under the Sustainable Canadian Agricultural Partnership.
  - Producers contribute some of the costs, with the remaining costs covered on a 60 percent by Canada and a 40 percent by B.C. basis.
- The S-CAP Agreement between Canada and the provinces and territories came into effect April 1, 2023, replacing the expiring Canadian Agricultural Partnership (CAP) Agreement.
- B.C. is collaborating with Canada and the other provinces to develop and implement changes nationally to ensure that adequate and equitable BRM protection is available to all farms.
- To improve the effectiveness of the BRM support, B.C. regularly consults with industry leaders through its Risk Management Advisory Committee, which is co-chaired by the Executive Directors of the Business Risk Management Branch (Byron Jonson) and the B.C. Agriculture Council (Danielle Synotte).
- The Business Risk Management Branch (BRMB) is responsible for the development and delivery of Production Insurance, Agriculture Wildlife Program, AgriStability, BC AgriStability Enhancement program, AgriInvest, AgriRecovery, Livestock Price Insurance (LPI) and the B.C. Bred Heifer Association Loan Guarantee and B.C. Feeder Association Loan Guarantee programs.
- LPI is administered by Alberta under an agreement managed by BRMB (B.C. and Canada pay for the portion of administration costs incurred by Alberta for B.C. ranchers).
- AgriInvest is delivered by the federal government, and costs are shared with B.C.; BRMB administers this operational relationship.

- During the fiscal year, BRMB finished the 2021 Canada-British Columbia Flood Recovery Program for Food Security to respond to the flooding events and its related impacts on livestock and crops. The Program helped offset the costs of returning to production. \$84 million has been paid to producers since the start of the program in January 2022.
- During the fiscal year, BRMB continued to run the 2023 Wildfire and Drought
  AgriRecovery Initiative. This initiative provided financial assistance to producers to
  offset extraordinary costs required to return to production because of widespread
  drought and wildfires in 2023. \$13 million has been paid to producers since the start of
  the Initiative.

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

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

#### GOVERNMENT RESPONSE TO RISKS/LOSSES GOVERNMENT RESPONSE TO **ENCOUNTERED ANNUALLY BY PRODUCERS** EXTRA-ORDINARY EVENTS WHICH CAUSE SIGNIFICANT LOSS OF **CAPACITY TO OPERATE** PRODUCER/GOVERNMENT GOVERNMENT PARTNERSHIP: **ADMINISTERED** INSURANCE/FINANCIAL PRODUCER, INCOME **STABILIZATION BACKING PRODUCTION INSURANCE** INCOME REPLACEMENT DUE TO NATURAL PERIL LOSSES LIVESTOCK PRICE AGRIRECOVERY AGRISTABILITY INSURANCE **BUSINESS CAPACITY** INCOME REPLACEMENT DUE TO MARKET PRICE MARGIN DECLINES **GUARANTEED INSURANCE** AGRICULTURE WILDLIFE **PROGRAM** COMPENSATION FOR PRODUCTION BRED HEIFER & FEEDER LOSSES BY WILDLIFE Association Loan **GUARANTEES** ACCESS TO CAPITAL FOR **AGRIINVEST** VALUE ADDED OR HERD SAVINGS INCENTIVE FOR EXPANSION PRODUCERS FOR FUTURE **BUSINESS EXPANSION OR INCOME** PRODUCER FUNDED GOVERNMENT **GOVERNMENT SUBSIDIZED** ADMINISTERED OR AND **GOVERNMENT SUBSIDIZED AND** BACKED FINANCIALLY ADMINISTERED ADMINISTERED

# CROSS JURISDICTIONAL COMPARISON:

B.C. delivers programs through a branch in the Ministry of Agriculture and Food (AF). All other jurisdictions deliver the programs through Crown Corporations, Special Operating Agencies or Commissions.

- The total provincial budget in 2024/25 for the Business Risk Management Branch was \$23.754 million for program expenditures and administration, excluding the AgriRecovery Initiatives. The branch was approved access to contingencies for \$15 million for the 2024 BC AgriStability Enhancement program.
- Production Insurance claims are paid from the Production Insurance Special Account.
- AgriStability, AgriInvest, and BC AgriStability Enhancement payments and administration costs are paid from the Agriculture Income Stabilization Trust.
- Agriculture wildlife compensation payments are expensed within AF's budget.
- There are 95 full-time equivalents.

	Agri Stabil ity	Production Insurance	Wildlife Damage Compen sation	Livestock Price Insurance	Wildlife Mitigation	TOTAL BRMB BUDGET
FTE (Full Time Equivalents)	4	0 45	9	1		95
Salaries and Benefits	3,75	9 4,379	720	126		8,984
Operating Expenses	1,00	6 1,545	526	74		3,151
Transfer to Income Stabilization Trust	7,78	7				7,787
Transfer to Production Insurance Account		13,000				13,000
Wildlife compensation/ mitigation payments			3,390		80	3,470
Expense Recoveries	-5,52	3 -4,109	-2,869	-137		-12,638
TOTAL	7,02	9 14,815	1,767	63	80	23,754

<sup>\*</sup>Table shows only Provincial share of budget expenditures. Excluded is the Federal and Producer related premium expenditures of the AgriStability (\$54.7 million), AgriInvest (\$3.7 million), and Production Insurance programs (\$26.1 million).

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# Drought and Wildfire Agri Recovery (incl. TAP) 2023

#### **RECOMMENDED RESPONSE:**

- British Columbia (B.C.) farmers who suffered extraordinary damages during the devastating fires and drought in summer 2023 have access to up to \$71 million in support through the 2023 Canada-British Columbia Wildfire and Drought AgriRecovery Initiative.
- Prior to establishing the AgriRecovery assistance, the Province, with agreement from Canada, enabled AgriStability Targeted Advance Payments (TAP) for cattle producers.
   TAP was able to address cash flow needs in the fall of 2023 for purchasing feed by providing advanced payments based on how many breeding animals producers had.
  - TAP paid \$8,117,520 to more than 200 cattle producers experiencing immediate feed shortages.
- The AgriRecovery Initiative, implemented on October 20, 2023, has helped many
  producers who were impacted by wildfire and drought either continue or return to
  production by helping with extraordinary expenses such as lost feed, shelter, animal
  health and safety, transportation of livestock, reseeding forage, and to replace fencing
  or other critical infrastructure that was not insurable.
  - As of the program application deadline on January 31, 2024, 442 producers applied for assistance.
  - As of January 28, 2025, the Initiative has approved 462 payments to 371 producers and paid those producers \$13 million in assistance to aid in recovery from wildfire and drought.
  - All producers who are eligible for assistance have received a payment.
  - One Wildfire Loss Schedule remains open until the final deadline on December 31, 2025, whereby producers can purchase additional forage where fire has damaged grazing lands.
- Throughout the design phase of the AgriRecovery Initiative, the Ministry of Agriculture and Food (AF) consulted closely with the BC Cattlemen's Association, BC Dairy and other industry partners on the supports required to ensure producer needs were met, while being delivered in a simple and timely manner.
- Our goal is to ensure these recovery initiatives are effective in assisting producers return to production, and to continue to maintain the important economic contribution that agriculture makes to the affected communities.
- Based on a survey sent to applicants for feedback on the Initiative, 90 percent of respondents found the Initiative played an important role in their recovery from the disaster. 81 percent of respondents considered their payments to have been timely or very timely.

# **BACKGROUND:**

- AgriRecovery support for livestock includes: Extraordinary Livestock Feeding,
   Transportation Assistance, Pregnancy, Testing of Forage, Extraordinary Cost for Return
   to Production (herd rebuilding), Fire Clean-up on Private Land, Establishment of Safe
   Livestock Handling Facilities, Extraordinary Mustering and Transportation Costs,
   Veterinary Costs, Breeding Livestock Mortality, Private Fencing, Specialized Facilities
   Rental, Irrigation System Repair, Replanting of Perennial Forage and Incremental
   Grazing Cost.
- AgriRecovery support for crop production and apiaries includes: Hives Lost to Fire, Extraordinary Bee Mortality, Private Fencing, Specialized Facilities Rental and Irrigation System and Perennial Crop Production Infrastructure Repair and Replant of Tame Perennial Crops.
- The deadline for general applications was January 31, 2024.
- This AgriRecovery Initiative was developed under the Sustainable-Canadian Agricultural Partnership (S-CAP) AgriRecovery policy framework.
- AF and its federal counterpart's assessment of the 2023 wildfire and drought determined the anticipated recovery costs for impacted farms were beyond the support provided under existing agricultural risk management programs, disaster financial assistance and private insurance. The assessment, therefore, recommended that additional recovery assistance be provided.
- The AgriStability TAP Program was announced in early August 2023. These advanced
  payments provided \$150 per breeding animal to help farmers with immediate feed
  shortages from drought. AgriStability clients were able to easily apply for benefits over
  the phone. By early September 2023, more than 120 producers were advanced \$5
  million dollars. In most cases, farmers received funds within 30 days of applying.

# **CROSS JURISDICTIONAL COMPARISON:**

- AgriRecovery responses are specific to each event that the B.C. Initiative provides support for, including fire and drought impacted producers.
  - Alberta introduced a 2023 drought relief initiative; producers must have altered their usual grazing practices due to drought conditions for more than 21 days in 2023 with support of up to \$150 per head, based on a feed need calculation and proof of expense.
  - Saskatchewan introduced a 2023 feed program for producers who must have lost a minimum of 25 feed days and can receive up to \$200 per head based on receipts.
- B.C. was the only province to enable TAP under AgriStability.

- AgriRecovery Initiatives and the AgriStability program are cost-shared 60:40 between Canada and the Province. The funding is enabled by the Sustainable Canadian Agricultural Partnership agreement, as of 2023.
- 2023 Canada-British Columbia Wildfire and Drought Initiative can provide up to

# ESTIMATE NOTE- FISCAL 2024/25

# Ministry of Agriculture and Food

Confidential Advice to Minister

\$71 million in assistance to eligible applicants, of which \$28.4 million would come from B.C.

- As of January 28, 2025, the Initiative has provided \$13 million of assistance to producers across B.C.
- The 2023 AgriStability TAP program paid out \$8 million in benefits to B.C. cattle
  producers. As this is an advanced payment program, further AgriStability
  disbursements may be made when year-end tax filings are submitted by clients and
  final benefits are calculated.

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# **Flood Recovery Initiative**

#### RECOMMENDED RESPONSE:

- · British Columbia (B.C.) farmers who suffered extraordinary damages during the devastating floods in November 2021had access up to \$228 million in federal-provincial government support to help their farms return to production and support British Columbia's food security and agricultural communities in the years ahead.
- The November 2021, flooding was the most impactful agricultural disaster ever in our province, resulting in profound losses for many B.C. farmers; we responded with a program that delivered the greatest amount of support of its kind in B.C.'s history.
- We worked closely with farmers and farming organizations to make sure there was a comprehensive response to support their recovery.
- The Canada-British Columbia Flood Recovery Program for Food Security helped farmers who had incurred extraordinary expenses from uninsurable damages, such as:
  - Clean-up, repair, and restoration of land, barns and animal shelters, water, and waste systems; returning flood-impacted land and buildings to a safe environment for agricultural production.
  - Repair uninsurable essential farm infrastructure, reasonable repair of on-farm structures such as livestock containment fences, and the rental of temporary production facilities, drainage ditches, and riprap.
  - Animal welfare; replacement feed as well as livestock transportation, veterinary care, and mortality disposal.
  - Loss of perennial plants not raised for resale.
- The Ministry has paid 438 farmers more than \$84 million of which:
  - \$23 million perennial crop replanting.
  - \$13 million flood clean-up.
  - \$45 million repair of uninsurable structures.
- Forage, vegetable, and berry growers were able to prepare, cultivate and replant land returning to production.
  - The Initiative provided payment in support of replanting of over 1,100 acres of blueberries.
- Dairy and livestock producers resumed production and output returned to pre-flood condition.
- Due to the extensive damage and difficulty in obtaining perennial plants, B.C. and Canada amended the contribution agreement providing a 12-month extension to allow growers and producers time to complete their return to production; Initiative completion date was amended to December 31, 2024. The Initiative is now closed.

# **BACKGROUND:**

The Ministry of Agriculture and Food (AF) and its federal counterpart completed a financial impact assessment of the flooding impact to farms. It determined that the

anticipated recovery costs for impacted farms would be \$285 million; this was net of existing agricultural risk management programs, disaster financial assistance, and private insurance. The assessment, therefore, recommended that additional recovery assistance be required through Disaster Financial Assistance Arrangements (DFAA) and AgriRecovery cost-share arrangements. As a result, the 2021 Canada-British Columbia Flood Recovery Program for Food Security was established on February 7, 2022.

- This was the first time the Province has worked with Canada for farm disaster relief by utilizing both DFAA and AgriRecovery in tandem. By incorporating both mechanisms, B.C. could maximize its funding to support farm recovery, as DFAA includes a B.C.-Canada contribution of 10:90 (as opposed to AgriRecovery with a 40:60 contribution).
- The main criterion to determine farm eligibility under both DFAA and AgriRecovery is annual gross revenue. Farms with annual gross revenue under \$2 million were eligible for DFAA with a compensation maximum of 90 percent of eligible costs. Farms with annual gross revenue above \$2 million were eligible for AgriRecovery with a maximum compensation of 70 percent of eligible costs. See Table 1 for comparisons of the two cost-share arrangements proposed:

Table 1: Comp	parison of elig	gibility, cost-sha	re, and comp	ensation under	DFAA and Agri	Recovery
	Federal Cost-Share	Compensation Rate (coverage of eligible costs)	Farm Claim Maximum	Max. Eligible Annual Gross Revenue	Eligible if <50% Income is from Farming	Eligible if <50% ownership of farm
DFAA	90%	90%	NA	\$2.000M	Eligible	Not Eligible
AgriRecovery	60%	70%	NA	No Limit	Eligible	Eligible

- The \$80 million maximum provincial contribution over the three fiscal years represented a worst-case scenario for B.C.; what B.C. would pay if all payments were only eligible under AgriRecovery. Thus, there was a high possibility of AF not requiring the full \$80 million requested. The current estimate is \$24.0 million.
- The DFAA compensation rate is determined by the Province, with a possible maximum of 100 percent. AF recommended 90 percent compensation to minimize the difference from what higher grossing farms could receive under AgriRecovery (which has a maximum compensation of 70 percent).
  - AF's reason for not recommending a lower compensation rate was to ensure smaller farms receive sufficient funding, while maximizing the lower provincial contribution under DFAA.
- The AF Business Risk Management Branch administered the Program, processing applications under the eligible mechanism, either DFAA or AgriRecovery.
  - Because Emergency Management B.C. (EMBC) was leading the DFAA shared cost arrangement with Canada on behalf of B.C., AF provided all eligible DFAA expenses to EMBC to submit on AF's behalf.

# **CROSS JURISDICTIONAL COMPARISON:**

• This event was unique to B.C.

- Impacts on government's fiscal plan were: \$6.5 million in 2021/22, \$11.5 million in 2022/23, an estimated \$5.3 million in 2023/24, and an estimated \$0.7 million in 2024/25.
- Total support paid to 438 farmers as of January 29, 2025, is \$84 million.

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# **Livestock Price Insurance Program**

#### RECOMMENDED RESPONSE:

- The Livestock Price Insurance (LPI) program protects cattle and hog producers from unanticipated drops in average market prices. The Program is highly regarded by the British Columbia (B.C.) cattle sector.
- B.C. collaborates with Canada and Alberta (AB), Saskatchewan (SK), and Manitoba (MB) to ensure LPI is an effective risk management product for B.C. livestock producers.

#### **BACKGROUND:**

- LPI (originally Western Livestock Price Insurance), began in 2014 as an AgriRisk
  Initiative under the Canadian Agricultural Partnership. AgriRisk was not included in the
  Sustainable Canadian Agricultural Partnership. B.C., AB, SK, MB, and Canada have
  agreed to continue LPI until April 30, 2028, under a multilateral agreement.
- LPI is delivered by AB across the four western provinces. Central and eastern provinces are reviewing the feasibility of similar programming.
- AB actuarial staff set coverage based on the future market (Chicago Mercantile Exchange) and the basis difference between AB and American prices. Payments are triggered when the average market price in AB for one week falls below the selected coverage. The price an individual producer experiences is not used to determine payments.
- Cattle and hog producers can protect up to 95 percent of the expected average market price and have many coverage and coverage period options. Producers pay all the risk premium for LPI while governments pay administration costs and financially support the Program. Cattle are insured separately in three different weight categories: calves, feeders, and finishing (fed) cattle. B.C. primarily covers calves.
- B.C. market penetration fluctuates between five to ten percent. Ranchers use LPI most frequently when there is uncertainty in the market and directly after periods of high prices. The Program has very minimal use by the hog sector.

# **CROSS JURISDICTIONAL COMPARISON:**

- The LPI product is virtually the same across the four western provinces.
- AB and SK allow producers to buy coverage "on account", which is essentially on credit.
  This was initially requested by a small number of producers in B.C. Establishing an
  accounts receivable function in B.C. for a very small program like LPI is not feasible.
  Ranchers have reasonable access to alternative credit sources, such as Canada's
  Advanced Payments Program, if credit is a barrier to buying insurance.
- The United States offers a subsidized gross revenue insurance product to livestock producers, which includes price protection. This product has a higher level of government support, including premium subsidy, than LPI.

- B.C.'s share of administration costs is approximately \$75,000 per year. Centralized delivery through AB and web-based purchases and payments provides administrative efficiencies.
- The \$8.5 million system upgrade has begun and is expected to have a 15-year useful life. B.C.'s portion of this upgrade is \$136,000.
- The B.C. Net Premium Account (premium minus claims) has maintained a small surplus since its inception in 2014. B.C. is responsible for any negative balance, should the program terminate.

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# **Production Insurance Program Delivery**

#### **RECOMMENDED RESPONSE:**

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

#### BACKGROUND:

- PI is an insurance scheme to stabilize farm income by minimizing the detrimental effects of crop losses due to uncontrollable natural perils.
- PI is a core Business Risk Management program, enabled by the Sustainable Canadian Agricultural Partnership agreement.
- Funding for PI comes from insurance premiums cost-shared between producers and the provincial and federal governments under the Canada-British Columbia Production Insurance Agreement.
- Premiums are paid in the Production Insurance Special Account (PISA), and insurance claim indemnities are paid out of this account. PISA is maintained as a means of providing stability to rates when large events occur. The target balance is 10 percent of liabilities. Premium rates are loaded according to the PISA balance.
- As PI operates as an actuarially sound program, insurance premiums received will equal insurance claims over time.
- Except for forage, the Program has high participation levels for the major agricultural crops produced in British Columbia.
- Target for processing claims is within 30 days of the administration receiving all required information from an insured client.
- An extreme freeze event in January 2024 reduced the grape crop by 90 percent, and the stone fruit crop by a similar amount. In addition, spring frost significantly impacted apple and cherry crops. Claim payments for the 2024 crop year for grape losses are estimated at \$90 million and tree fruits at \$61 million.

# **CROSS JURISDICTIONAL COMPARISON:**

Comparable Production Insurance programs exist in all 10 provinces.

- PI provides approximately \$889 million in coverage.
- Annual premium revenue is approximately \$39 million and is cost-shared between the federal government, the provincial government, and the producer.
- Final insurance claim payments for the year 2024 crops are estimated to be \$164 million.

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# SITE C - AGRICULTURE COMPENSATION FUND

#### RECOMMENDED RESPONSE:

- The development of the Site C Clean Energy Project (Site C) is estimated to permanently displace approximately 3,800 hectares of Class 1 to 5 agricultural lands (land capable of crop production) in the Agricultural Land Reserve (ALR). However, nearly 3M hectares of quality land will remain available for agricultural production in the region.
- In recognition of the important role agriculture plays in the Peace Region and the
  potential effects of the Site C project on agriculture, BC Hydro has created a \$20M
  Agricultural Compensation Fund to support agricultural production and related
  economic activity in the Peace Region.
- A regional decision-making board is responsible for overseeing the fund's management and disbursement. The original 10-member board was appointed in 2018, and consists of six members that are appointees of regional agricultural associations or the Peace River Regional District, one member who is a Peace River Valley agricultural producer, and three members at large.
- The funding streams for the program are Education and Events Initiatives, Farming Infrastructure, and Research and Demonstration Initiatives.
- The program announced the launch of the 2025 Impact and Opportunities Initiative (IOI). This \$1M proposal-based intake is designed to support large-scale projects that provide long-term, sustainable opportunities for agriculture and agrifoods economic activity in the Peace Region. IOI opened for proposals on January 20, 2025, with funding decisions to be announced in August 2025. IOI focuses on transformative projects that benefit multiple producers of the broader Peace Region by enhancing agricultural capacity and economic resilience.

- As part of the Environmental Assessment Certificate approval conditions for Site C, BC Hydro developed an Agricultural Mitigation and Compensation Plan (Plan).
- The Plan includes a \$20M BC Hydro Peace Agricultural Compensation Fund, construction management practices, individual farm mitigation plans and an approach to management of surplus agricultural land following construction.
- Three changes were made to the final governance model: prioritization of First Nations for a member at large seat; a separate call and position for an agricultural producer living in the Peace Region; and the addition of another cattle position to balance the crop-livestock ratio of the Peace Region Board. Some crop organizations have indicated dissatisfaction with the additional seat provided to the cattle sector.
- The Agricultural Compensation Fund has been retitled BC Peace Agriculture Fund.
- Northern Development Initiative Trust (NDIT) will be paid 10 percent on the annual grant allocation after BC Hydro approves each year's budget. This fee includes NDIT's costs as the board secretariat and fund application administrator.

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- MNP is currently conducting a 5-year review of the fund. The Ministry of Agriculture and Food (AF) had reviewed survey questions and participated in an interview with MNP.
   Concerns expressed by AF during the interview were about transparency of selection criteria of successful recipients for capital funding of projects as significant amount of funds are provided to a select group of producers creating a potential winner/loser situation.
- MNP's preliminary presentation was presented to select staff from AF, the Ministry of Energy and Climate Solutions and BC Hydro on January 28, 2025. The presentation illustrated 5 key themes that the review will focus on: Strategic Fit, Governance, Administrative Delivery, Efficacy and the Future Sustainability of the Fund. Further discussions and presentations from MNP are planned to assess the findings.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

- As of November 2024, the fund has distributed more than \$3.378 million to 95 projects, https://bcpeaceagfund.ca/news/.
- The fund has grown from an initial \$20M to \$25.8M in 2024 (no funds related to AF).

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# **EXPORT MARKET DEVELOPMENT**

#### RECOMMENDED RESPONSE:

- British Columbia's (B.C.) agriculture, food and beverage products are shipped to over 189 international markets and enjoyed by families all over the world while being recognized as high-quality, safe products.
- In 2023, B.C.'s agriculture, food and beverage exports totaled \$5.7B, which supports our economy at home through increased business revenues and jobs in B.C. communities.
- That is why the B.C. Ministry of Agriculture and Food (Ministry) is committed to
  ensuring our exporters have the support required through programs, policies, and
  initiatives to grow and diversify export opportunities within Canada and abroad for
  B.C.'s agriculture, food, and beverage products.
- The Ministry will continue to collaborate with the Ministry of Jobs, Economic
  Development, and Innovation (JEDI), as well as the federal government to ensure that
  industry has support to grow and diversify export markets for their products through
  targeted in-market promotions, market preparedness activities, and business-tobusiness matchmaking with support from overseas provincial and federal trade
  representatives.
- The United States (U.S.) is B.C.'s top export market for agriculture, food, and beverage products (i.e., \$4.3B in 2023; over 75 percent share). Any broad-sweeping tariffs on U.S. imports of Canadian goods will significantly impact our sector and the overall B.C. economy.
- China is B.C.'s second-largest export market at \$531.4 million in 2023 (~ 9% of total Ag exports). AF and JEDI (provincial lead on international trade) are working together to assess China's proposed tariffs on Canadian agriculture and food products.
- On January 29, 2025, Premier Eby tasked a <u>new cabinet committee</u> with coordinating a whole-of-government approach to protect B.C.'s workers, businesses and economy against ongoing tariff threats from the U.S. I am pleased to represent the Ministry and our sector on this committee and will work closely with my colleagues across ministries to ensure B.C.'s response is fast, tough, and focused on protecting British Columbians.
- U.S. and Chinese tariffs have further highlighted the need to diversify our export markets and reduce reliance on these trading partners. To support trade diversification, the Ministry is:
  - Engaging with industry to identify the top trade diversification support needs across various sectors and inform Ministry export programs and initiatives for next fiscal year;
  - Working with JEDI and our federal colleagues on trade diversification initiatives including B.C. representation in Canada Pavilions at key international tradeshows in markets around the world (e.g., Food and Hotel Asia in Singapore,

- Asia Fruit Logistica in Hong Kong, Seafood Expo Global in Spain) and inbound missions that connect international buyers to our producers and processors.
- Working collaboratively with JEDI (provincial lead on internal trade) and federalprovincial-territorial (FPT) partners to reduce internal trade barriers, including for agriculture and food.
- We are standing up to defend our industries, good-paying jobs, and workers. Our efforts will ensure that B.C.'s farmers, harvesters, producers, and processors have the support they need to diversify and connect with buyers in key markets, while strengthening and growing the province's economy in the long term.

- The Minister of Agriculture and Food's Mandate Letter includes directions to support work led by JEDI by working with farmers and food producers, and customers of B.C.'s agricultural products in:
  - Advocating against proposed tariffs from the U.S. and ensuring continued expansion of our agricultural export programs for the mutual success of British Columbians and our trading partners.
  - Expanding global markets for B.C. products to diversify and reduce trade risk.
  - Preparing contingency plans in the event that tariffs are imposed.
- In 2023, B.C. exported \$5.7B in agriculture, food, and beverage products to an estimated 189 international markets.
  - The top five export markets were: the U.S. (\$4.3B), China (\$531M), Japan (\$206M), South Korea (\$124M), and Hong Kong (\$68M).
  - The top export products were: Other food preparations (includes, food preparations, protein concentrates and textured protein substances) (\$515M), baked goods (\$465M), Atlantic salmon (\$390), tallow (\$336M), and mushrooms (\$304M).
- In 2024/25 the Ministry supported the growth and diversification of agriculture, food, and beverage sector exports by offering market development support, including:
  - Cost-Shared Funding for Industry-led Activities
    - \$1.44M available through the B.C. Agriculture and Food Export Program to support industry-led export market development activities; 38 projects were funded, totaling \$842K.
  - International Tradeshows/Events
    - AF and JEDI support industry participation and promotion of B.C.'s agriculture, food, and beverage products at large international tradeshows and/or events each year through a Memorandum of Understanding (MOU).
    - The MOU enabled a B.C. presence at five critical tradeshows/events for 2024-25. These events typically either do not have a federal government presence or are events that the seafood industry is ineligible to apply for federal funding through the Canada Pavilion Program. The MOU also facilitated a New Exporters to Border States (NEBS) mission to

Washington State in January 2025, jointly arranged by JEDI, the Ministry, the Government of Alberta, and Global Affairs Canada.

- o Market Preparedness
  - The Ministry also supports export market readiness activities, market intelligence, research, and planning.
- See Estimates Note US Trade and Tariffs for more info on tariff impacts and responses.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

- There are 4 FTEs supporting international market development.
- The Market Development & Trade budget, funded through Sustainable Canadian Agriculture Partnership, is approximately \$3M annually.
- For 2025/26, approximately \$2.3M is allocated to support international market development.

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# **Market Access Concerns**

#### **RECOMMENDED RESPONSE:**

- British Columbia's (B.C.) diverse bounty of grown, harvested, raised, and processed food is nothing short of incredible. We are globally recognized for producing healthy, safe, and high-quality food that feeds locals at home and consumers abroad.
- While the Canada-United States-Mexico Agreement (CUSMA) is the cornerstone of the North American economic partnership, federal-provincial-territorial (FPT) governments and industry stand united as Team Canada through continued United States (U.S.) trade uncertainty, including the threat of broad U.S. tariffs on Canadian goods exports.
- Given this tariff risk, B.C. and Team Canada are looking to diversify trade and strengthen relations with other partners around the world and across Canada by:
  - Encouraging businesses and industry to leverage other existing free trade agreements (FTAs) such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), Canada-Korea FTA (CKFTA), Canada-European Union Comprehensive Economic and Trade Agreement (CETA), and Canadian Free Trade Agreement (CFTA),
  - Supporting Canada's pursuit of additional FTAs such as the Canada-Association of Southeast Asian Nations (ASEAN) FTA, Canada-Indonesia Comprehensive Economic Partnership Agreement (CEPA), and Canada-Ecuador FTA; and,
  - Reducing internal FPT barriers to trade within Canada's borders.
- The Ministry of Agriculture and Food (AF) continues to work closely with the Ministry of Jobs, Economic Development, and Innovation (JEDI) and Agriculture and Agri-Food Canada (AAFC) to support science and evidence-based trade policies and protect the interests of B.C. producers, processors, and consumers.
- Technical questions on market access should be directed to JEDI as provincial lead on international trade.

- International trade falls under federal jurisdiction. Canada primarily increases market
  access through trade agreements. Increased access to export markets diversifies trade,
  reduces market risk, and supports long-term growth for agriculture and food sectors.
- Internal trade within Canada is more complex and involves FPT regulations.
- JEDI acts as the provincial lead on trade with support from AF on opportunities and issues concerning B.C.'s agriculture and food sectors.
- AF, in collaboration with JEDI, remains actively engaged in FPT discussions on agriculture and food trade, including negotiations; market access; internal trade; and participation in major tradeshows, missions, activities, and promotions (refer to the Export Market Development Estimates note for more information).

#### U.S. Market Access Concerns:

- Current market access concerns continue to be focused on U.S. trade uncertainty, including the threat of U.S. tariffs (refer to the U.S. Market and Tariffs Estimates note for more information), and mandated joint CUSMA review of dairy-related provisions in 2025 (and every two years thereafter) and full agreement in 2026.
- U.S. CUSMA concerns on Canada's dairy tariff rate quotas (TRQ) have been resolved
  after two disputes launched by the U.S. in 2021 and 2023; however, it is likely that the
  U.S. will continue to raise U.S.-Canada dairy market access concerns.
- B.C. is also monitoring a proposed set of new U.S. regulations on voluntary labelling for meat, poultry, and egg products planned to come into force on January 1, 2026.

#### Other International Market Access Concerns:

- New Zealand continues to challenge Canada's dairy TRQ system under the CPTPP.
   Canada held public consultations from February to March 2024 a final report is pending. Canada will continue to defend its dairy and supply management sectors.
- Canada continues to monitor and assess next steps regarding challenges with Canadian beef and pet food (containing poultry ingredients) exports to China. B.C. does not export beef products directly to China, as these go through Alberta.
- China's anti-dumping investigation into Canadian canola and seed exports is ongoing.
   Canada is providing support to ten Canadian companies under investigation. B.C. does not export canola oil to China; however, B.C.'s Peace region is home to about 90 percent of B.C.'s canola production.
- Canada continues to monitor European Union (EU) regulation on deforestation-free products set to take effect in December 2025.

# Market Access Opportunities:

- FPT governments are re-committing to exploring opportunities to reduce internal trade barriers. A CFTA (2017) is currently in place between the federal government and all 13 provinces and territories. B.C. is also a member of the New West Partnership Trade Agreement (2010) with Alberta, Saskatchewan, and Manitoba. AF will pursue internal trade work in close collaboration with JEDI.
- Many regions in Canada's Indo-Pacific Strategy (2022) align with priority markets identified in B.C.'s Trade Diversification Strategy (2023). Canada has an Indo-Pacific Agriculture and Agri-Food Office in Manila, Philippines. JEDI also has a B.C. Trade and Investment Office co-located with the Embassy of Canada in Manila.
- Canada currently has 15 FTAs with 51 different countries, covering 1.5 billion consumers worldwide, including of particular significance to B.C., the:
  - CUSMA (in force July 2020) The U.S. is B.C.'s largest agriculture and food export market at approximately \$4.3 billion (2023).
  - CPTPP (in force December 2018) Eleven countries have ratified the agreement (Canada, Australia, Brunei, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam, and the United Kingdom most recently).
  - o CKFTA (in force January 2015) South Korea was B.C.'s fourth-largest export

# **ESTIMATE NOTE- FISCAL 2025/26**

# Ministry of Agriculture and Food

Confidential Advice to Minister

market for agriculture and food in 2023 at \$124 million, behind the U.S. (\$4.3 billion), China (\$531 million), and Japan (\$206 million). A Canada-Korea Organic Equivalency Agreement has also been in force since November 2023.

 CETA (provisionally in force September 2017) – CETA is still awaiting full ratification from some European nations. Seventeen EU member states in addition to Canada have ratified the agreement.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

# PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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# SUSTAINABLE CANADIAN AGRICULTURAL PARTNERSHIP (S-CAP)

#### **RECOMMENDED RESPONSE:**

- The Ministry of Agriculture and Food (the Ministry) is proud of British Columbia's (B.C.) significant progress on delivering year two of the federal-provincial-territorial (FPT) Sustainable Canadian Agricultural Partnership (S-CAP).
- In 2024/25, B.C. allocated approximately \$20.7 million through S-CAP programs and initiatives, including:
  - \$4.7 million towards five programs under the S-CAP priority area for Climate Change and Environment,
  - o \$6.0 million towards six programs under Science, Research, and Innovation,
  - o \$3.0 million towards three programs under Market Development and Trade,
  - \$2.6 million towards eight programs under Building Sector Capacity, Growth and Competitiveness; and,
  - \$4.3 million towards seven programs under Resiliency and Public Trust.
- The Ministry looks forward to continuing to advance B.C.'s agricultural sector under S-CAP to ensure our producers, ranchers, and processors have the tools they need to grow into the future.

- S-CAP replaced the former five-year Canadian Agricultural Partnership (CAP) agreement (concluded on March 31, 2023) with a new \$3.5 billion five-year agreement (April 1, 2023, to March 31, 2028) between FPT governments to strengthen the competitiveness, innovation, and resiliency of farmers, ranchers, and agricultural businesses.
- S-CAP includes \$1 billion in federal programs and activities, and \$2.5 billion in cost-shared programs and activities split between the federal government (60 percent funded) and provinces/territories (40 percent funded). This includes a 25 percent funding increase for cost-shared programs that support strategic initiatives to which B.C. will see an approximate \$29 million overall increase between 2023 and 2028 or about \$5.8 million per year.
- S-CAP is executed through a fifth-of-its-kind Multilateral Framework Agreement between Agriculture and Agri-Food Canada (AAFC), provinces, and territories. Provinces and territories also have separate bilateral agreements with AAFC.
- Nationally, S-CAP programming is focused on five key priority areas:
  - Climate change and environment,
  - Science, research, and innovation,
  - Market development and trade,
  - Building sector capacity, growth, and competitiveness; and,
  - Resiliency and public trust.

# **CROSS JURISDICTIONAL COMPARISON:**

- Delivery of S-CAP programs and initiatives is well underway for FPT governments.
- In 2025/26, Ministry staff plan to start early engagement with FPT governments on the Next Policy Framework (2028 – 2033). FPT preliminary negotiations are anticipated to begin late 2025. It takes approximately two-and-a-half years from the official start of negotiations to implementation of a new agreement.

# PROGRAM EXPENDITURE / REVENUE IMPLICATION:

• Approximate S-CAP B.C. Funding (2023–2028):

	Federal	Provincial	Total	
Business Risk Management	\$230.3 million	\$162.0 million	\$392.3 million	70%
Strategic Initiatives	\$86.3 million	\$57.6 million	\$143.9 million	30%
Total	\$316.6 million	\$219.6 million	\$536.2 million	

- In year two of S-CAP (2024/25), B.C. allocated approximately \$20.7 million through S-CAP programs and initiatives (out of \$20.7 million in annual funding available).
- Year three (2025/26) of S-CAP will continue to focus on B.C. program delivery under the following priority areas:

S-CAP Priority Area	B.C. S-CAP Program	Program Launch	Approx. Annual Budget
Priority One:	Environmental Farm Plan Program	April 2023	\$1.0 million
Climate Change and	Environment and Climate Extension Program	April 2023	\$1.0 million
Environment	Beneficial Management Practices Program	July 2023	\$1.0 million
	Resilient Agriculture Landscape Program	August 2023	\$1.7 million
	Priority One Approx. Subtotal	\$4.7 million	
Priority Two: Science,	Climate Research and Tool Development Program	April 2023	\$0.6 million
Research, and Innovation	Knowledge Technology and Transfer Program	April 2023	\$0.2 million
	Animal and Plant Health Genomics	July 2023	\$1.0 million
	Agriculture Land Use Data and Research	August 2023	\$0.9 million
	BC Agriculture and Food Innovation Program (includes BC On-Farm	November 2023	\$2.6 million

S-CAP Priority Area	B.C. S-CAP Program	Program Launch	Approx. Annua Budget
	Technology Adoption Program and BC Agriculture and Food Innovation Fund)		
	Production Research Program	Under development	\$0.9 million
	Priority Two Approx. Subtotal		\$6.0 million
Priority Three: Market Development and Trade	Market Preparedness Program	Multiple initiatives, first launched in June 2023	\$0.9 million
	Market Development Program	Multiple initiatives, first launched in June 2023	\$1.1 million
	BC Agriculture and Food Export Program	August 2023	\$1.0 million
	Priority Three Approx. Subtotal		\$3.0 million
Priority Four: Building Sector	Food Processing and Value-Add Program	April 2023	\$0.6 million
Capacity, Growth and	New Entrant / Land Matching Program	April 2023	\$0.5 million
Competitiveness	Capacity Building (Industry Associations)	May 2023	\$0.4 million
	Farm Business Program (includes Agri-Business Planning Program (ABPP); New Entrant Farm Business Accelerator (NEFBA) Stream One (Business Planning); BC Young and New Entrant Skill Development Program (BCY); and Farm Fest Conference)	BCY / NEFBA: October 2023 ABPP: November 2023	\$0.7 million
	Youth Development Program	November 2023	\$0.1 million
	Indigenous Food Systems and Agriculture Programs	December 2024	\$0.4 million
	Priority Four Approx. Subtotal		\$2.6 million
Priority Five:	Plant Health Program	April 2023	\$1.1 million
Resiliency and	Premises ID Program	April 2023	\$0.1 million
Public Trust	Traceability Capacity Building	April 2023	\$0.03 million

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S-CAP Priority Area	B.C. S-CAP Program	Program Launch	Approx. Annual Budget
	Animal Health Programs	July 2023	\$0.9 million
	Food Safety (Non-Inspection) Program	November 2023	\$1.3 million
	Traceability Adoption Program	February 2024	\$0.9 million
	Agriculture Emergency Planning and Training Workshops	March 2024	\$0.05 million
	Priority Five Approx. Subtotal		\$4.3 million

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# **United States Market and Tariffs**

#### **RECOMMENDED RESPONSE:**

- The Canada-United States-Mexico Agreement (CUSMA) entered into force in July 2020 and is the cornerstone of the North American economic partnership.
- While the Government of Canada holds jurisdiction on international trade, a Team Canada approach to United States (U.S.) trade advocacy, engagement, and response is critical during this time of uncertainty.
- British Columbia (B.C.) is working closely across ministries, industry, and federalprovincial-territorial (FPT) governments to fight back against threatened U.S. tariffs on goods imports from Canada and protect British Columbians.
- This includes responding to any U.S. tariffs with tough counteractions and outreach to American decision-makers, strengthening B.C.'s economy by expediting projects and supporting industry and workers, and diversifying trade markets.
- The Ministry of Agriculture and Food (AF) continues to collaborate with the Ministry of
  Jobs, Economic Development and Innovation (JEDI); Agriculture and Agri-Food Canada
  (AAFC); and industry leaders to ensure clear communication and provide an opportunity
  to share questions and concerns, such as through AF's dedicated online form.
- Technical questions on international trade should be directed to JEDI as provincial lead.
- In 2023, the U.S. was B.C.'s top export market for agriculture and food (including seafood and beverage) at approximately \$4.3 billion.

- International trade falls under federal jurisdiction, including national trade policy, free trade agreement negotiations, and retaliatory efforts in response to U.S. tariffs.
- JEDI is B.C.'s lead on international trade, including trade policy.
- AF collaborates with JEDI and AAFC on mutual trade areas of interest and concern. AF
  also provides JEDI with Sustainable Canadian Agricultural Partnership funding to lead a
  B.C. presence at targeted international tradeshows and leverages JEDI's global B.C.
  Trade and Investment Representative network for export support (refer to the Export
  Market Development Estimates Note for more information).
- U.S. tariffs on Canadian goods would be paid by the U.S. importer or passed on to the
  U.S. consumer. Direct impacts of U.S. tariffs on Canadian industry would include
  potential shifts in U.S. demand and market share (e.g., the U.S. is not willing to pay
  higher prices for Canadian exports or Canadian industry may have to reduce export
  prices to remain competitive), and shifts in the foreign exchange rate between the
  Canadian and U.S. dollar (e.g., a weakening Canadian dollar against the U.S. dollar or
  strengthening U.S. dollar against the Canadian dollar may keep Canadian exports to
  the U.S. relatively competitive).
- On January 16, 2025, B.C. released its preliminary assessment of 25 percent tariffs. B.C. could see a cumulative loss of \$69 billion in economic activity between 2025 and 2028,

- along with an estimated loss of 124,000 jobs by 2028 with the largest declines in the natural resource sector export industries and associated manufacturing.
- On January 29, 2025, B.C.'s Premier tasked a new cabinet committee (including the Minister of Agriculture and Food) with coordinating a whole-of-government approach to protect B.C.'s workers, businesses, and economy against tariff threats from the U.S.
- B.C.'s Premier also established a trade and economic security task force to bring together business, labour, and Indigenous leadership. The task force is co-chaired by Tamara Vrooman from the Vancouver International Airport, Jonathan Price from Teck, Bridgitte Anderson from the Greater Vancouver Board of Trade, and include B.C.'s largest business organizations.

#### U.S. Tariff Threat

- On November 25, 2024, U.S. president-elect Trump proposed 25 percent tariffs on all Canadian and Mexican imports to the U.S., and an additional 10 percent in China.
- On February 1, 2025, U.S. President Trump announced immediate intent to impose 25
  percent tariffs on all Canadian goods entering the U.S. (i.e., Canadian exports), except
  energy products which would be subject to a 10 percent tariff.
- In response, Canada announced that it would move forward with a 25 percent tariff on \$155 billion worth of imported goods from the U.S., including \$30 billion as <u>first phase</u>.
- At the same time, B.C. directed its Liquor Distribution Branch to immediately stop buying American liquor from U.S. states governed by Republican leadership and remove the top-selling 'red-state' brands from the shelves of public liquor stores.
   B.C. further directed its core government and 29 core Crown corporations to exclude U.S. suppliers from new procurement activities.
- On February 3, 2025, the U.S. and Canada agreed to pause tariffs until March 1, 2025.
- Subsequently, B.C. retaliatory efforts are also paused.

# **CROSS JURISDICTIONAL COMPARISON:**

- Canada established a <u>Cabinet Committee on Canada-U.S. Relations</u> (includes AAFC Minister Lawrence MacAulay) and a <u>Prime Minister's Council on Canada-U.S. Relations</u> (includes business, innovation, and policy leaders).
- In response to U.S. tariff threats on February 1, 2025, other provinces also directed their respective liquor boards to impose retaliatory measures on U.S. alcohol.

# **PROGRAM EXPENDITURE / REVENUE IMPLICATION:**

On January 16, 2025, B.C. released its preliminary assessment of 25 percent tariffs. B.C. could see a cumulative loss of \$69 billion in economic activity between 2025 and 2028, along with an estimated loss of 124,000 jobs by 2028 with the largest declines in the natural resource sector export industries and associated manufacturing.

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# **Enhanced Replant Program**

#### **RECOMMENDED RESPONSE:**

- The Enhanced Replant Program (ERP) is a five-year, \$70.5M Provincial commitment to increase the competitiveness and resiliency of British Columbia's (B.C.) perennial crop sector while ensuring a reliable supply of high-quality, locally grown produce for British Columbians.
- ERP supports our wine grape, berry, and tree fruit producers in adapting to changing market demands and environmental challenges, ensuring that agriculture remains a vital and thriving part of B.C.'s economy.
- ERP builds on over 30 years of replant and renewal initiatives, including the \$15M Perennial Crop Renewal Program (PCRP) (2023), the \$50M Tree Fruit Replant Program (1991-2021), the \$500K Hazelnut Renewal Program (2018-2023), and the \$264K Raspberry Replant Program (2020-2023).
- Collaboration with industry stakeholders is a cornerstone of ERP. Industry Associations were engaged in program planning and design.
- The Enhanced Replant Program Advisory Committee (ERPAC) provides an ongoing forum for industry feedback, ensuring that the program continues to meet the needs of the agriculture sector. The first ERPAC meeting is scheduled for March 2025.
- ERP not only helps farmers meet today's challenges but also sets the stage for future success by fostering resilience, economic growth, and strong local food systems. This program underscores the provincial government's commitment to supporting farmers and ensuring the sustainability of B.C.'s agriculture sector for the next generation.

- ERP is administered by the Investment Agriculture Foundation (IAF) under a shared-cost arrangement with the provincial government.
- ERP is the successor to previous replant and renewal programs, which have supported the transition to higher-value and more resilient perennial crop varieties. Key historical programs include:
  - Perennial Crop Renewal Program (PCRP) (2023): As the immediate predecessor to ERP, PCRP initially invested \$15M for sector-specific opportunity assessments and provided cost-share funding for fruit and nut removal or planting activities aligned with the market or agronomic opportunities identified. PCRP was immediately oversubscribed by some sectors, demonstrating the need for long-term support and sector-specific funding allocations. Wine grape industry re-allocated replant portion of \$1.2M to support national climate adaptation research funding commitments by the BC Wine Grape Council.
  - Tree Fruit Replant Program (1991-2021): Provided more than \$50M in funding to help tree fruit growers replace outdated plantings with higher-density, higher-value varieties such as apples, cherries, and soft fruits. Over three

decades, this program supported approximately 10K acres of orchard renewal, strengthening the competitiveness of B.C.'s tree fruit sector in domestic and international markets.

- Raspberry Replant Program (2020): Provided funding to support raspberry growers to transition from low value jam and puree processing varieties to varieties suitable for the higher value fresh and IQF (Individually Quick Frozen) markets, to stabilize the industry.
- Hazelnut Renewal Program (2018): Supported the recovery of B.C.'s hazelnut industry from Eastern Filbert Blight by providing funding to growers to remove diseased orchards and replant with resistant varieties.
- ERP allocates funding across three key sectors: Tree Fruits (37 percent), Wine Grapes (35 percent), and Berries (28 percent).
- Annual ERP funding allocations were determined through industry consultation. Wine
  grape funding is frontloaded to address immediate replanting needs. Funding for tree
  fruits and berries is spread evenly over the five-year program to ensure sustained
  support for growers across the province.
- ERP cost-share funding is restricted to replanting existing fields and covers 50 percent
  of plant material costs and 100 percent of royalty fees, for up to 20 acres or 15 percent
  of a farm's acreage, to a maximum of \$500K per applicant.
- In its first year, ERP received 303 applications, with funding requests totaling \$9.6M. It
  is expected that funding requests will increase in years three and four when nurseries
  are able to meet the demand.

# **CROSS JURISDICTIONAL COMPARISON:**

- Nova Scotia's Vineyard Replant Program supports grape growers in replanting vineyards to improve quality and adapt to market demands. Additionally, the Polar Vortex Industry Recovery Program offers funding for virus testing and maintenance recovery for perennial crops such as grapes, cane berries, highbush blueberries, peaches, plums, and cherries, enabling growers to recover from severe weather impacts and ensure successful replanting.
- Ontario's Growing Future Opportunities Initiative includes programs like the apple, grape, and Tender Fruit Replant Program and Sector Innovation Program, which provide funding to support innovation, sustainability, and modernization in the agrifood sector. These programs aim to improve food security and drive economic growth while ensuring workplace safety and sector-wide adaptation.

- FY 2024/2025, \$19M was committed to the first year of the program.
- FY 2025/2026 \$16.5M has been committed for year two of the program, with \$35M committed for the remaining three years of ERP.
- To date, IAF has received 303 producer applications totaling \$10.6M in funding. This

included 74 applications for tree fruit (\$1.69M), 110 for wine grape (\$3.28M), 79 for berry (\$3.75M), and 40 for berry removal (\$1.91M). The lower uptake in the program's first year was anticipated, due to short-term limits in available plant material in the perennial horticulture sectors. Any unused funding allocations from this fiscal year will be rolled over for use in future years.

 Though not part of ERP, an additional \$5M Tree Fruit Climate Resiliency Program was launched on January 30, 2025, to further support tree fruit producers in the Southern Interior who have faced unprecedented weather challenges the past few years. This program was fully subscribed to within hours of program launch.

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# **BLUEBERRY SCORCH VIRUS & PROGRAMMING**

#### RECOMMENDED RESPONSE:

- The British Columbia (B.C.) blueberry industry is concentrated in the Fraser Valley where over 600 farmers farm approximately 26,500 acres of highbush blueberries.
- Blueberry Scorch Virus was first detected in B.C. in 2000 and is now present in all blueberries growing regions of the province.
- The recommended management practices for Blueberry Scorch Virus are effective and have not changed over the past two decades.
- The Ministry of Agriculture and Food (AF) has supported the B.C. Blueberry Council to
  educate blueberry farmers about the virus, expand diagnostic testing services, and
  encourage implementation of best management practices.
- Research is underway to better understand viruses affecting blueberries and their impact on B.C. blueberry production.

- The B.C. blueberry industry has grown from 7,400 acres to 26,500 acres since 2003.
   Production is concentrated in the Fraser Valley.
- B.C. is the largest highbush blueberry producing province, producing 97 percent of the highbush blueberries in Canada on 92 percent of the highbush blueberry acreage in 2020.
- Blueberries are B.C.'s largest fruit export, valued at \$161M in 2023.
- The largest export market for Canadian highbush blueberries is the United States (U.S.), followed by Japan. In 2023, 93 percent of Canadian highbush blueberry exports by volume were destined for the U.S.
- The Blueberry Scorch Virus was first detected in B.C. in 2000. This virus is spread by aphids and causes blossom and foliar blight, gradual plant death or reduced production in most cultivars.
- The Blueberry Scorch Virus is not a provincially or federally regulated pathogen. It is widespread and, therefore, cannot be eradicated from B.C.
- Since 2020, the industry has observed an increase in the number of virus-infected fields, including fields with widespread symptoms.
- Blueberry farmers are encouraged to manage the disease by testing symptomatic bushes, removing infected bushes, and controlling aphids.
- The concentrated nature of blueberry farms in the Fraser Valley makes it challenging for individual farmers to maintain disease-free fields.
- Many B.C. blueberry farmers do not rely on farming as their primary source of income and do not invest in best management practices.
- AF staff continue to work collaboratively with the B.C. Blueberry Council on developing extension materials to educate blueberry farmers and encourage adoption of best management practices.

- Research is underway to evaluate the differences in cultivar susceptibility, rate of virus spread, and to improve diagnostic testing methods.
- The excessive cost of removing infected fields (~\$2K/acre) and replanting fields (~\$16K/acre) is a barrier to scorch virus management.
- Investment Agriculture Foundation (IAF) of B.C. is administering the Enhanced Replant Program to provide funding to support wine grape, berry, and tree fruit producers to replace existing acreage with climate-resilient varieties that produce in-demand fruit. This is a five-year program spanning 2024-2029.
- Business Risk Management programs offer support to farmers who lose income due to crop losses. The Production Insurance Program does not cover crop losses due to diseases and insect pests, however, resultant income declines would be considered under AgriStability.
- There are no virus resistant or tolerant cultivars currently available for replanting.
   Therefore, without the implementation of best management practices, newly replanted fields will become re-infected.

# **CROSS JURISDICTIONAL COMPARISON:**

- Blueberry Scorch Virus is present in other regions of North America but at lower levels.
- There is one Full Time Equivalent (FTE) Berry Crop Specialist in each of the other three blueberry-producing provinces: Quebec, New Brunswick, and Nova Scotia.

- 1.0 FTE has been allocated to the berry sector as an Industry Specialist. Additional AF staff including 1.0 FTE Entomologist, Plant Pathologist and Minor Use Pesticide Coordinator spend a portion of their time on the blueberry sector.
- Current FY 24/25 support:
  - \$50K to support the blueberry industry with Blueberry Scorch Virus extension and research.
  - \$5.6M, through IAF, to blueberry producers for removal and replanting of fields through the Perennial Crop Renewal Program from 2023-2025.
  - \$3.6M out of \$18M committed to the berry industry (cranberry, blueberry raspberry)
     from the \$70M Enhanced Replant Program.
- FY 25/26 support:
  - The Province plans to commit \$747K towards berry research and knowledge transfer activities for 2025-2028. Most of these funds will go towards blueberry activities.
  - \$3.6M out of \$18M committed to the berry industry (cranberry, blueberry raspberry) from the 70M Enhanced Replant Program.
- Previous FY support:
  - \$130K from 2022-2024 to support the blueberry industry with Blueberry Scorch Virus extension and research.
  - \$1M over five years from 2018-2023 for berry breeding programs.
  - \$56K from 2021-2023 from Genome BC for research to improve diagnostic methods

# ESTIMATE NOTE- FISCAL 2025/26

# Ministry of Agriculture and Food

Confidential Advice to Minister

for detection of Blueberry Scorch Virus and to identify other novel blueberry pathogens.

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# **Organics**

#### **RECOMMENDED RESPONSE:**

- British Columbia's (B.C.) organic agricultural sector is comprised of almost 900 certified organic producers and processors and provides certified-organic food products for both domestic and export markets.
- As of September 1, 2018, the term 'organic' became a protected label in B.C. The
  organic label can only be used if the product holds certification through the B.C.
  Certified Organic Program (BCCOP) or the Canadian Organic Regime (COR).
- The Ministry of Agriculture and Food (AF) supports the approach Organic BC took in 2024 to transition to Organic BC and a separate Certified Organic Association of British Columbia (COABC).
- Organic BC is a valued partner in implementing and leading extension initiatives related to the adoption of Beneficial Management Practices.
- AF recognizes that regenerative agricultural practices have been implemented by organic producers for many years.

- COABC (doing business as Organic BC) is one of B.C.'s oldest non-profit farmer organizations and has played a key role since the early 1990s in developing the first government-recognized organic certification program. Over time, the scale of organic production and demand has grown significantly.
- Organic BC is in the process of transitioning into two separate organizations:
  - Organic BC, which is not involved in certification but is focused on extension and marketing activities, is now an organic sector industry association funded through a voluntary membership model; and
  - COABC, which continues to administer BCCOP certification but ceased to offer COR certification to their members.
- COABC's two largest certifying bodies, whose producers rely on COR certification for cross-border marketing, are now accredited through other out-of-province organizations.
- COABC has been working with the Ministry throughout 2024 to identify a pathway for moving forward regulatory and bylaw changes to support their new organizational structure.
- In FY 2024/2025, Organic BC provided an "Investing in Organics" brief to the Minister that references future extension activities, market development, and creation of a Buy BC organic logo. No specific proposals or budgets have been provided.

# **CROSS JURISDICTIONAL COMPARISON:**

 By separating into an organic industry association not involved in certification,
 Organic BC followed the example of Quebec and Manitoba where all organic operators and certification organizations are part of their respective provincial Organic Producers Association.

- In FY 2024/2025, AF provided Organic BC with \$80,500 for their 'Implementation Plan' project, which laid the framework for the organization's transition into two separate entities.
  - This project concludes a Structural and Governance Review process that began in FY 2021/2022. Between FY 2021/2022 and FY 2023/2024, AF provided funding for three projects totaling \$208K.
- In FY 2024/2025, AF provided \$60K for an Agritech Weeders project that supported adoption of innovative weeding equipment by B.C. producers.

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# **Tree Fruit Sector - Apples & Cherries**

# **RECOMMENDED RESPONSE:**

- The past several years have been very challenging for the tree fruit sector. British Columbia (B.C.) growers have faced many challenges, including rising production costs, labour shortages, extreme climate events, such as the January 2024 deep freeze, and market pressures, particularly the closure of BC Tree Fruits Cooperative (BCTF). All of these factors have strained profitability for B.C. growers and threaten the long-term viability of tree fruit production in B.C.
- To address these challenges, the Ministry of Agriculture and Food (the Ministry) is working closely with growers, packers, and industry associations. For example, recent initiatives to support B.C.'s tree fruit sector include:
  - \$15M Perennial Crop Renewal Program, which provided support to growers to update aging, unproductive or unprofitable plantings with new varieties that meet market demand.
  - \$70.5M Enhanced Replant Program, a five-year program to continue supporting growers to update plantings with productive varieties with higher market demand.
  - \$5M Tree Fruit Climate Resiliency Program to help growers buy equipment, invest in infrastructure and pursue innovative projects that protect tree fruit crops in the face of extreme weather events, such as extreme cold, heat and unpredictable weather.
  - \$15M 2024 B.C. AgriStability Enhancement Program, which increased the AgriStability compensation rate from 80 percent to 90 percent and increased the AgriStability payment limit from \$3M to \$6.2M. B.C. and Canada also extended the participation deadline for 2024 to April 30, 2025, and allowed advances of up to 75 percent of estimated final benefits.
  - \$10M one-time payment based on a per acre basis to help producers remain viable and make on farm investments or pay down debt.
  - \$58M in tree fruit production insurance claims have been paid for 2024, primarily for production loss although there were some fruit tree and quality losses as well.
- The Ministry remains committed to providing targeted support for the tree fruit sector to ensure its resilience and future success.

#### **BACKGROUND:**

Rising input costs and declining margins are impacting the tree fruit sector. B.C.'s tree fruit
sector has experienced a challenging past few years. In the case of cherries, the sector has
experienced financial loss due to successive extreme weather events (most recently the
January 2024 freeze). For apples, many in the sector have experienced low returns (price
per pound) for their production as the sector has struggled with fruit quality and adapting
to increasingly competitive markets.

#### 1. Apple Sector

 Apple acreage has seen a significant decline, from 20K acres in the late 1990s to just over 6K acres in 2024. This shift is largely due to low grower returns, increased competition from Washington (WA) State, and the reallocation of land to higher-value crops like cherries and wine grapes.

# 1.1 Impact of BC Tree Fruits Cooperative (BCTF) Closure

- The closure of BCTF in July 2024, while anticipated, has left a major void in the apple industry, disrupting packing and marketing operations for approximately 179 apple growers.
- Prior to its closure, BCTF managed centralized storage, packing, and marketing for around 40 percent of B.C.'s apple production, particularly supporting smaller-acreage growers. With its dissolution, many growers have been forced to find alternative packing and marketing solutions, with several packers now relying on WA State facilities for controlled atmosphere (CA) storage to handle the increase in apple volume.
- While many growers produce high-quality, in-demand fruit and succeed through
  vertical integration or independent packer contracts, the proliferation of private
  packing houses in the Okanagan has driven a "race to the bottom" in pricing.
  Non.integrated growers often act as price-takers, with little leverage beyond fruit
  quality. The collapse of BCTF has heightened industry fragmentation, enabling retailers
  to exploit competition among the approximately 30 B.C. apple packers to secure lower
  prices, further eroding grower returns.
- Grower returns for the 2024 season are not yet known, though preliminary pricing information suggests that this may be the worst year for apple returns in many years.

#### Government Response and Supports following BCTF Closure:

- Convened an emergency response table with industry leaders to urgently address challenges, including:
  - Access to alternative packing services for BCTF growers;
  - Securing CanadaGAP food safety certification for BCTF growers; and,
  - Financial assistance for BCTF growers awaiting payments.
- Partnered with the Investment Agriculture Foundation (IAF) to ensure the \$4M owed to growers for apple and cherry crops at the time of BCTF's bankruptcy was distributed, with 70 percent of payments completed by the end of 2024.
- Allocated \$100K to the BC Fruit Growers' Association (BCFGA) to:
  - Assist growers in obtaining CanadaGAP individual certification, replacing BCTF's group certification; and,
  - Coordinate apple maturity testing to support informed harvest decisions in the absence of BCTF's horticultural staff.
- Compiled an online directory of available packing houses with contact details to help growers find new packing options.

- Conducted a producer needs survey to connect growers with appropriate packing houses based on their apple varieties and production volumes.
  - Additionally, the Agricultural Land Commission's (ALC) 50 percent rule for Agricultural Land Reserve (ALR) lands, allowing packing houses to source less than half their packed volume from their own production, was suspended. This regulatory adjustment, effective August 9, 2024, to March 31, 2025, increased packing opportunities for growers.

#### 1.2 Tree Fruit Industry Stabilization Plan

- Developed with support from the tree fruit and wine grape sectors and unanimously endorsed by stakeholders, the Plan (2021) was, and continues to be, intended to address critical challenges in the apple sector, including declining returns, fragmented marketing, aging orchards, labour shortages, and climate-related risks.
- The ministry has transitioned implementation of the Plan to a newly formed tree fruit and wine grape sector leadership group called the Cross Commodity Advisory Council, which has representation from all industry groups and is managed by the Cross-Commodity Leadership Support Project (CCLSP).
- CCLSP is a two-year (2024-2026) pilot project funded by the Tree Fruit Industry
   Stabilization Fund that provides a framework and capacity for organizations across
   commodities (apples, cherries, and wine grapes) to collaborate on common issues and
   opportunities.

### . Key outcomes of the Tree Fruit Industry Stabilization Plan:

- Marketing Coordination: Fostered collaboration among apple packers, including shared historical sales data and development of an export and domestic marketing strategy.
- Replant: \$15M invested through the Perennial Crop Renewal Program, and \$70M invested through the Enhanced Replant Program.
- Labour Support: Introduced BC Fruit Works, an online platform to attract and retain domestic labour.
- Orderly Marketing (Apple Marketing Commission) Exploration: Engaged packers, growers, and organizations to assess the feasibility of industry-wide apple marketing and sales strategies.

### 1.3 Apple Marketing Commission

- Concerns about low grower returns and lack of pricing transparency have prompted extensive discussions on establishing an Apple Marketing Commission.
- A 2022 initiative led by the New Tree Fruit Varieties Development Council failed due to poor communication, inadequate stakeholder engagement, and limited understanding of the Commission's role and benefits.
- The topic gained renewed attention during the Tree Fruit Industry Stabilization process, with stakeholders expressing moderate to strong support for the concept during a 2023 grower and packer workshop.
- In response, a project management committee, including growers, packers, and the

Ministry, was formed to guide engagement and analysis of a second project to explore an apple marketing commission. BCFGA, acting as secretariat, organized early 2024 information sessions, which faced criticism for perceived pro-commission bias. Over 100 growers and packers submitted a petition opposing the proposal in February 2024.

- Under new leadership by Melissa Tesche, BCFGA has improved dialogue with packers, but concerns about its pro-commission stance remain. The Ministry remains neutral, emphasizing that industry must demonstrate majority support through a referendum.
- An Apple Marketing Commission could regulate quality, pricing, and promote a unified B.C. apple brand, addressing competition among 30 packers. However, resistance persists from vertically integrated packers due to reporting and quality requirements.
- BCFGA has contracted with Inner Harbour Consulting Inc., to continue work to explore an apple marketing commission with industry engagement sessions planned in February and March of 2025.

#### 2. Cherry Sector

 Cherry acreage has increased significantly over the past decade, reaching 5,393 acres in 2023, driven by growers shifting from apples to cherries in search of higher returns.
 However, this transition has sometimes resulted in lower-quality fruit due to a lack of expertise and resources.

#### 2.1 2024 Freeze Event

- Growers have faced significant weather-related challenges, including the 2021 heat dome and extreme winter events in 2021, 2023, and 2024, which caused major crop losses and weakened trees.
- The 2024 season was particularly challenging for cherry growers, with production estimated at only 30 percent of a typical year due to a prolonged, extreme cold event in the Okanagan and Similkameen Valleys, where temperatures fell below -25 degrees C, severely damaging buds.

#### **Government Response and Supports:**

- Production Insurance (PI) paid \$58M for 2024 loss. PI deployed an additional five claims staff as part of a targeted insurance loss adjusting strategy to support the volume and complexity of claims for the 2023 and 2024 crop years.
- The \$15M B.C.2024 AgriStability Enhancement Program increased the compensation rate for AgriStability by ten percent: increasing AgriStability's 80 percent compensation rate to 90 percent on large income declines currently being experienced by many B.C. producers; it also raised AgriStability's existing \$3M payment limit to \$6.2M.
- The \$5M Tree Fruit Climate Resiliency Program was launched in Jan 2025 to help growers buy equipment, invest in infrastructure and pursue innovative projects that strengthen farm resilience and preparedness for extreme weather events.
- The \$10M onetime payment.

# CROSS JURISDICTIONAL COMPARISON: Apples

- B.C. Production: In 2023, B.C. produced 66K metric tons of apples, its smallest crop in a
  decade, primarily due to shrinking acreage and challenging weather. Farm cash
  receipts totaled \$59M, below the five-year average of \$64M.
- Canada and WA State Comparison: B.C. is tied with Quebec as Canada's second-largest pome fruit producer, holding 22.4 percent of national receipts. WA State produced 2.72M metric tons in 2023, rebounding to its five-year average despite similar struggles with low prices and high input costs.

#### Cherries

- B.C. Production: B.C. produced 16K metric tons of cherries in 2023, generating \$94M in receipts. Production in 2024 is estimated at 30 percent of normal levels due to severe weather.
- Canada and WA State Comparison: Sweet cherry production in the rest of Canada is negligible. WA State produced 200K metric tons in 2023, with production rising due to low profitability of apples.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

Since 2020, the Ministry has made substantial investments in the tree fruit sector, with a combined total of over **\$237M** in funding, including Business Risk Management (BRM) payments and non-BRM program funding.

#### Financial Support Next FY2025/26

- \$16M of \$70.5M Enhanced Replant Program to support the revitalization of orchards, vineyards and berry fields to be released in FY25/26
- \$417M Production Insurance Tree Fruit coverage for 2025 crop year quantity, quality, and tree losses.
- \$10M Tree Fruit Climate Change Response Fund announced on February 19, 2025 (See supplemental Estimate Note for more details).

#### Financial Support Current FY 2024/25

- \$5M Tree Fruit Climate Resiliency Program to support growers protecting their tree fruit crops with projects and infrastructure from extreme cold, heat and unpredictable weather events.
- \$19M of \$70.5M Enhanced Replant Program made available to support the revitalization of orchards, vineyards and berry fields FY24/25.
- \$100K to BCFGA to support grower transition through the BCTFC closure.
- \$58M Production Insurance (PI) for crop year 2024 claims. There was \$341M Production Insurance Tree Fruit coverage for quantity, quality, and tree loss.
- \$15M 2024 BC AgriStability Enhancement Program, which increased the AgriStability compensation rate from 80 percent to 90 percent and increased the AgriStability payment limit from \$3M to \$6.2M.

#### **Historical Financial Support 2020-2023**

- \$18.3M for Tree Fruit Industry Stabilization Initiatives (not including \$5M Competitiveness Fund), including:
  - \$50K for a data strategy.
  - \$130K to address domestic labour challenges through BC Fruit Works.
  - \$300K for extension services to support growers with agronomic expertise.
  - \$375K to expand and extend the BC Decision Aid System (BCDAS) to provide growers with integrated pest management tools.
  - \$120K to upgrade the Okanagan and Similkameen weather network, improving decision-making tools for growers and supporting BCDAS.
  - \$250K for the development of domestic and export apple marketing strategies.
  - \$500K for the Sterile Insect Release Program (review, bridge funding, and long-term strategy).
  - \$15M for the Perennial Crop Renewal Program, formerly the Replant Program, to revitalize orchards with high-value varieties.
  - \$1M from the Ministry's operating budget to support the development and implementation of a multi-year foreign and domestic apple marketing strategy.
- **BRM Payments:** 2020 2024, \$237M has been distributed to the tree fruit sector through AgriStability and PI claim payments.
- Non-BRM Program Funding: \$38.57M in program funding has been provided since 2020, supporting initiatives such as the earlier replant program, BuyBC marketing, facility upgrades, and Tree Fruit Industry Stabilization Plan initiatives.

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# Wine (including Wine Grape Industry Task Force)

#### RECOMMENDED RESPONSE:

- The British Columbia (B.C.) government is strongly committed to supporting B.C.'s wine making industry.
- B.C.'s vineyards and wineries provide good jobs and have established B.C.'s local, national, and international reputation for quality wines.
- Over the past year, the Ministry of Agriculture and Food (the Ministry) has supported B.C.'s wine industry in several ways:
  - \$70M for the 2024 Enhanced Replant Program for grapes, berries, and tree fruit, of which wine grape growers are anticipated to receive \$23M.
  - Cost shared funding to B.C. wine organizations for local and international market development through the Buy BC Partnership, B.C. Agriculture and Food Export Program, and the Perennial Crop Renewal Program.
  - Continued Ministry participation in the industry-led Business Technical Advisory Panel (BTAP) with B.C. alcoholic beverage sector associations to engage on liquor policy interests, opportunities, and challenges.
- The Ministry is aware of the environmental and economic challenges facing the wine sector, including extreme cold temperatures in December 2022 and January 2024, which have had impacts on vine health, production, and overall productivity.
  - Ministry Production Insurance (PI) staff contacted all grape insurance policy holders and worked with them throughout the 2023 and 2024 crop year.
    - The targeted PI loss adjusting strategy and dedicated response team that were put in place in 2023 expanded in response to the 2024 freeze event.
    - In 2024, 727 claims were submitted for grape yield and vine loss; \$70.6M has been paid to grape growers to date, and an additional \$19M is expected to be paid to grape growers, when the extent of vine survival can be observed this summer.
  - To provide additional financial assistance, B.C. implemented the 2024 BC AgriStability Enhancement program, which increased the AgriStability compensation rate from 80 percent to 90 percent and the payment limit from \$3M to \$6.2M. With agreement from Canada, Late Participation was implemented for the 2024 AgriStability program year enabling growers to enroll until April 30, 2025.
  - Staff worked with the Liquor Distribution Branch (LDB) to support B.C. wineries affected by the freezing conditions in early 2024 that caused significant damage to vineyards through temporary measures that guaranteed the production of a 2024 vintage, and in doing so supported job security in the industry.

### **BACKGROUND:**

#### Overview

- B.C. is home to 1,234 vineyards. 86.8 percent of wine grape acreage is located in the Okanagan region.
- Of B.C.'s 448 licensed wineries (January 2025), 344 are grape wineries, with the remaining fruit wineries and cideries.
- B.C.'s wine industry employs over 18,000 people and has an economic impact of \$3.8B annually.
- In 2023, B.C. exported \$4.1M in wines, a change of -8.2 percent from 2022.
- B.C.'s wine industry faces several challenges including significant excise costs, low import tariff barriers, competition from global imports, and lack of access to the national market through direct sales, and environmental and climate conditions leading to reduced tourism and availability of B.C. grapes.

### Extreme Weather Response

- Cold temperatures in successive years have significantly affected the wine industry. The
  December 2022 freeze resulted in severe bud damage. January 10-14, 2024 freeze, had
  the Southern Interior experiencing temperatures ranging from -23 to -30 degrees
  Celsius, which was fatal to a large amount of grape buds and vines.
- Based on PI claims, the estimated 2024 losses for grape vines are 25-30 percent and grape crop production losses are 85-95 percent.
- Business Risk Management (BRM) programs help producers manage the impact of crops and income losses. PI provides coverage for grape-plant and yield loss from weather events. AgriStability helps stabilize farm income by managing the risk of large income declines, such as those caused by a winter freeze event.
- In response to the freeze events, Ministry staff engaged early and directly with the Wine Growers British Columbia, British Columbia Grape Growers' Association and B.C. Tree Fruits Cooperative to provide messaging to their members regarding BRM program deadlines, claim and payment processes. BRM engaged in multiple winter damage workshops with industry in 2024 to understand their losses and explain how BRM programs can assist them.
- Ministry PI staff contacted all grape insurance policy holders and worked with them
  throughout the 2023 and 2024 crop years. A targeted loss insurance adjusting strategy
  and a dedicated claims response team were put in place to support the volume and
  complexity of 2023 and 2024 grape claims.
  - o In 2024, 348 policies filed a total of 705 claims for wine grape yield and vine loss.
  - The Ministry has processed 545 claims (75 percent) and has paid over \$70M in grape and vine loss claims, to date.
  - For 2025, there is \$119M vine loss and \$42M yield loss coverage.
- To provide additional financial assistance, B.C. implemented the 2024 BC AgriStability Enhancement program, which increased the AgriStability compensation rate from 80 percent to 90 percent and the payment limit from \$3M to \$6.2M.
- With agreement from Canada, Late Participation was implemented for the 2024

AgriStability program year enabling growers to enroll until April 30, 2025. Growers who enroll under Late Participation will have a 20 percent deduction applied to their Hi - is this really where they are at? Still developing a TOR a year later...if so ok. But maybe a bit more up an update, I think they have hired someone, meeting scheduled...anything??AgriStability payment.

#### Wine Grape Industry Taskforce

- The Ministry is supporting the establishment of a B.C. wine-grape sector task force to develop a road map of practical recommendations for producers and the industry to support an economically viable B.C. wine-grape industry. The industry led task force will run for two years. It will be comprised of Canadian and international experts with members to be identified this year.
- The four wine grape associations are collaboratively leading the process and have hired strategic and administrative contractors to help resource this initiative. They are still in the first phase of developing the Terms of Reference for the group.
- The purpose of the two-year task force will be to achieve:
  - Operational alignment and excellence within the representative wine and grape growing industry associations – improving regulatory and government relations.
  - Develop an integrated approach to data management.
  - o Implement consensus decision making strategies.
  - Strive to achieve proactive problem-solving methods to address climate and environment related challenges.
  - Improved market opportunities for B.C. wines and be aligned with shifting consumer preferences for wine.

### 2024 Enhanced Replant Program

- Announced on March 13, 2024, the \$70M 2024 Enhanced Replant Program will assist grape, berry and tree fruit growers with costs associated with replanting harder, climate resistant varieties that produce in-demand, premium fruit.
- Of the \$70M, wine-grape growers are anticipated to receive \$23M. This funding is anticipated to assist approximately 1000 grape growers.
- The Ministry also provided \$50,000 to develop a Gap Analysis report and Planting Guidelines with industry, to ensure that the replanted varieties are best positioned to adapt and perform well in consideration of B.C.'s changing climate, pests, diseases, and market pressures.

## Liquor Industry and the Business Technical Advisory Panel

- The Liquor Distribution Branch (LDB) continues to work collaboratively with the BTAP, to identify and address liquor policy priorities that align with government's mandate and policy objectives and that also recognize the changing operating environment for industry, including an economic downturn and evolving consumer preferences.
- As part of these priorities, the LDB completed industry engagement with the brewery and distillery sectors in Fall 2024 in support of the LDB's review of its liquor

manufacturer sales agreements. A summary of feedback was shared with industry in January 2025 and LDB will be seeking Minister direction on next steps. LDB will also be conducting a risk assessment of B.C.'s liquor supply chain to build its resiliency in the face of challenges such as wildfires and other extreme weather events.

 The LDB also continues to prioritize support for B.C. wineries affected by the freezing conditions in early 2024. The LDB has introduced temporary measures through fiscal 2027/28 to help B.C. wineries produce a 2024 vintage and, in doing so, support job security in the industry.

### **CROSS JURISDICTIONAL COMPARISON:**

- On average, from 2018-2022, B.C. ranked third among Canadian provinces in wine revenue share.
- B.C. is typically the second largest producer of wine grapes in Canada and accounted for 30 percent of all Canadian-grown wine grape sales in 2022.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- In 2024/25, the Ministry's program support to B.C.'s wine sector included:
  - \$60,800 supported six wineries and wine associations/organizations to conduct export market development activities through the B.C. Agriculture and Food Export Program.
  - \$272,492 supported 13 wineries and wine associations or organizations through the Buy BC Partnership Program.
  - \$50,000 supported Opportunity Assessment Gap Analysis and Replant Guidelines for industry.
  - o Part of \$70M Enhanced Replant Program (see Enhanced Replant Estimate Note).
- In 2023/24, the Ministry's program support to B.C.'s wine sector included:
  - \$107,000 supported six wineries and wine associations/organizations to conduct export market development activities through the B.C. Agriculture and Food Export Program.
  - \$166,000 supported seven wineries and wine associations/organizations through the Buy BC Partnership Program.
  - \$13,000 supported various wine grape extension projects focused on cover cropping and winter damage management.
  - Approximately \$2.4M (16 percent allocation based on Farm Gate Value) of the Perennial Crop Renewal Program allocated to wineries, including:
    - \$1.3M allocated for completed or in-progress grape vine removals.
    - Approximately \$1.05M reallocated from replant to support National Research Cluster funding commitments of the BC Wine Grape Council on climate and cover crop related projects in wine grapes at the request of industry.
    - \$70,000 supported an Opportunity Assessment.

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# ESTIMATE NOTE- FISCAL 2025/26 Ministry of Agriculture and Food Confidential Advice to Minister

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### **BC School Fruit and Vegetable Nutrition Program**

#### **RECOMMENDED RESPONSE:**

- Our government is committed to ensuring our youngest and brightest minds have healthy food available to them in schools.
- We announced \$214 million for the Feeding Futures fund through Budget 2023, the largest investment in school food programs in the province's history.
- Feeding Futures funding is dedicated, predictable funding that school districts can rely
  on to create or expand local school food programs.
- School Districts know their school communities best and school food programs throughout British Columbia (B.C.) have different delivery models to meet the local needs of each community and reach the students who need it most.
- As all of the funding for school food programs is now held in School Districts, it is important for BC Agriculture in the Classroom to adapt and work directly with School Districts regarding their ongoing participation in the School Fruit and Vegetable Nutrition Program.
- The Ministry of Education and Child Care (ECC) and Ministry of Agriculture and Food
  (AF)provided \$1M in funding in 2023/24 to support BC Agriculture in the Classroom to
  work with School Districts to ensure a smooth transition for districts that would like to
  continue participating in the program.
- The Ministries also worked with BC Agriculture in the Classroom on outreach and communications to ensure schools and districts understood the changes to the funding model and value of participating in the Program.
- AF supported BC Agriculture in the Classroom in 2024/25 with \$1.5M in bridge funding through the Investment Agriculture Foundation to support the program to expand outreach and ensure a sustainable transition within the Feeding Futures program.

#### **BACKGROUND:**

- The BC School Fruit and Vegetable Nutritional Program (BCSFVNP) has been administered by the BC Agriculture in the Classroom Foundation (AITC), a non-profit charitable organization, since 2004 to increase fruit and vegetable consumption amongst K-12 students while supporting B.C. agriculture producers.
- Historically, the program has provided fresh B.C.-grown fruit and vegetable snacks 12 times a year for K-12 students plus milk for K-5 students.
- BC Agriculture in the Classroom also partners with the BC Dairy Association to offer milk and other dairy products for K-5 students and recently started a partnership with BC Egg to offer hard boiled eggs for students.
- From 2004 to 2022/23, the Ministry of Health (HLTH) provided funding to AITC to administer the BCSFVNP to all students in registered schools in B.C.
- When Feeding Futures funding was announced in Budget 2023, responsibility of the program for the 2023/24 school year transitioned from HLTH. In 2023/24 school year,

# ESTIMATE NOTE- FISCAL 2024/25 Ministry of Agriculture, Food and Fisheries Confidential Advice to Minister

ECC awarded AITC \$3.6M to cover servings for 75 percent of students and to help transition the program into the Feeding Futures Framework.

- The SFVNP has an established food distribution model that has been supplying food to all 60 school districts in B.C. through private and non-profit partnerships.
- Historically, 95 percent of fruits and vegetables that the program provides to schools are local to B.C.
- AF has provided an advisory role on the program since its inception due to its significant impact on B.C. agriculture producers and processors.
- Under Feeding Futures, school food program funding is allocated to school
  districts, who decide how to best meet district needs and priorities. This has
  required a shift in the SFVNP to adapt to Feeding Futures, as individual districts will
  opt in (user-pay model).
  - To support this business transition, and continue program delivery, ECC and AF provided \$1M bridge funding to AITC in March 2024 to continue program delivery to 75 percent of students in participating schools to December 2024.
  - In November 2024, AF supported AITC to receive \$1.5M in bridge funding through the Investment Agriculture Foundation to continue the program and strengthen their distribution and supply chains; develop their offerings, customer base and funding/revenue sources; expand outreach and promotions; and set out a sustainable path for the program's future.

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

- Through the Feeding Futures program, B.C. has become a national leader in school food program investment.
- The BCSFVNP is a leader in the distribution of local agricultural products to the K-12 school sector.
- A wave of school food investments across Canada was started off by B.C.'s historic \$214 million investment in 2023. Between April 2023 to May 2024, nine provinces and territories announced additional school food investments (Nova Scotia, Quebec, Alberta, PEI, Saskatchewan, Manitoba, Yukon Territory, Ontario and Newfoundland and Labrador)
- In April 2024, the Government of Canada announced a National School Food Program, with a \$1 billion investment over five years to provide meals to an additional 400,000 children annually.

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

- AITC has received a total of \$2.5 million in government funding to support the transition of the program through Fiscal Year 23/24 and 24/25, and School Year 24/25.
- The BCSFVNP was historically funded by the HLTH though end of year funding.
- In FY22/23 the program was funded through a \$3.6M one-time grant provided by ECC using new funds obtained through the joint Feeding Futures treasury board submission.

# ESTIMATE NOTE- FISCAL 2024/25 Ministry of Agriculture, Food and Fisheries Confidential Advice to Minister

School Year	20/21	21/22	22/23	23/24	24/25
Funding	\$4.5 million (HLTH)	\$3.4 million (HLTH)	\$3.6 million (HLTH)	\$3.6 million (ECC)	\$2.5 million (AF & ECC)
Schools Registered	1390	1383	1476	1428	Data pending
BC agriculture product spend	\$2.3M	\$2.1M	\$3.8M	Data pending	Data pending

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# REGIONAL AGRI-ENVIRONMENTAL ISSUES SUPPLMENTAL ESTIMATES NOTE

#### **RECOMMENDED RESPONSE:**

- Recent environmental issues have put a renewed focus on agriculture as a perceived or actual source of environmental contamination.
- Nutrient management-related issues, those water quality issues thought or perceived to be linked primarily to mismanagement of agricultural manure and fertilizer, are covered in the Estimate Notes on Nutrient Management.
- Other environmental issues include the following:
  - 1. Deadstock collection: The passing of an individual in January 2024 led to a gap in deadstock collection that, if not filled, would mean that livestock producers in the western Fraser Valley would be challenged to dispose of their deadstock. The Ministry of Agriculture and Food (AF) helped the Investment Agriculture Foundation (IAF) post an Expression of Interest (EOI) in February 2025 to fill the gap.
  - 2. Columbia Valley Fill Dumping: Residents in the area near Chilliwack were concerned about water quality impacts of waste that was illegally placed on a farm over several months in 2022. The waste material was removed off the property in September 2024, resolving the issue.
  - 3. Hope Slough: There have been two reported incidents of fish kills due to water contamination on Hope Slough in an agriculture area. The Ministry of Environment and Parks (ENV) has collected water quality samples to try to determine the type of contamination that may have caused compromised water quality and results have not been consistent with a manure spill or mismanaged agriculture nutrient application. Further investigations have not yet determined the source of contamination.
  - 4. Hatzic Lake: A report written in 2020 about investigations into the occurrence and control of invasive aquatic plants cited agriculture as one of many sources of excess sedimentation and nutrients found in Hatzic Lake. Issues cited were drainage channels, removal of riparian vegetation or lack of riparian management, and non-point source pollution arising from agricultural (among other) activities exacerbated by shallow groundwater discharging into the lake. Illegal dumping of fill in the past two years has exacerbated sedimentation and pollution issues.
  - 5. Shellfish Closures: Shellfish producers and Indigenous Nations on Vancouver Island that have been experiencing longstanding sanitary closures of shellfish harvesting areas due to fecal coliform contamination and Norovirus from possible sources such as septic leachate, agricultural runoff, wildlife and others. AF provided \$75K towards the Genomic Ecological Microbial Source Tracking for Oceans Nature and the Environment (GEMSTONE) project in 2023, which is being led by BC Centre

for Disease Control (BCCDC) to evaluate whether the sources of fecal contamination at marine shellfish harvest sites in British Columbia (B.C.) can be identified.

- 6. Cowichan Estuary: Cowichan Tribes, local landowners, the Department of Fisheries and Oceans, Environment and Climate Change Canada, Cowichan Valley Regional District, Ducks Unlimited, Habitat Conservation Trust Program, and the Ministry of Water, Land and Resource Stewardship (WLRS) are working in partnership with the Nature Trust, under the West Coast Conservation Land Management Program, on a large-scale restoration project for the Cowichan and Koksilah river estuary. From 1990 to October 1, 2023, 80 acres of the Nature Trust property has been utilized for industrial crop production including growing corn and other forage crops under license to various local dairy farms. These 80 acres include land inside and outside of the Agricultural Land Reserve (ALR). Moving forward the current "Farm Use" will be transitioning to a farm use focused on Indigenous Food Systems to support the overall food security and sovereignty of Cowichan Tribes and the region while continuing to support resilient habitat for fish, wildlife and shellfish.
- 7. Elk Management: Farmers in certain parts of B.C., specifically Southeast B.C. and Vancouver Island, are experiencing new and increasing pressures from predation of crops and damage to forage from both Rocky Mountain and Roosevelt Elk, respectively. Elk are becoming increasingly habituated to farm habitats and existing deterrents and strategies are becoming less and less effective. AF has an Agriculture Wildlife Program (AWP) that provides compensation due to wildlife damage from some harvested and unharvested crops, but this program is limited in what it can cover. WLRS is responsible for wildlife population management and takes all interests into consideration when they are making decisions. Regardless, hunting pressure and translocation measures applied by WLRS to reduce population numbers have not resulted in significant population decreases and detrimental impacts to agricultural production have steadily increased.
- 8. Air Quality and Burning:

Staff from across Ministries have worked to update resource materials related to open burning with the first presentation to regional agriculture producers occurring January 17, 2025.

AF staff have been engaged on each of these issues. Additional background follows.

#### BACKGROUND:

- 1. Deadstock Collection Expression of Interest:
- The passing of the owner/operator of Canal Farms in Aldergrove in January 2024 led to the business shutting down by March 2024, creating a gap in deadstock collection services for the western Fraser Valley.
- In May 2024, AF staff convened local government and industry stakeholders to explore potential solutions to address the service gap.

- West Coast Reduction was identified as a potential provider; however, in August 2024, they determined that they could not compete at the prevailing deadstock collection rates.
- To help establish a new deadstock collection provider, AF worked with IAF to develop an EOI under the Livestock Waste Tissue Initiative. The EOI, valued at \$435K, was posted in February 2025.

#### 2. Columbia Valley Dumping (issue Has been Resolved):

- In August 2022, AF, ENV, and the Agricultural Land Commission (ALC) became aware that Fraser Valley Renewables (FVR) was bringing organic matter waste from the Surrey Biofuel Facility to a farm in the Columbia Valley.
- While the intent was to reprocess and land-apply the material, it did not meet the requirements of the Organic Matter Recycling Regulation and was classified as an unauthorized waste discharge.
- ALC issued a Remediation Order requiring FVR to remove all waste from the property by May 31, 2024, and to subsequently remediate the property.
- FVR trucked all the waste material off the property in September 2024, thus resolving the Columbia Valley Dumping issue.

#### 3. Hope Slough:

- Multiple discharges into Hope Slough occurred in late 2024, and one recently in March 2025. Hope Slough, located along the Fraser River in Chilliwack, is a site where Cheam and Sqwá First Nations have engaged in cleaning and restoration of salmon stocks.
- The first discharge caused a fish kill of juvenile coho salmon, which was investigated by ENV, Fraser Health Authority, and the City of Chilliwack.
- Two more discharges were reported in November and December, which were investigated by ENV as well as Environment and Climate Change Canada (ECCC).
   Deceased coho were reported during the November discharge.
- Water samples were taken during each discharge and analyzed; however, the source
  and type of material has not yet been determined. Several provincial and federal
  ministries, First Nations, Municipal governments, and provincial Health Authorities have
  been jointly coordinating water quality monitoring, sampling, and analysis to
  determine the source and nature of the discharge.
- Another spill was observed on March 8, 2025, reporting the discharge of milky white substances from a pipe. The Ministry of Environment and Parks is investigating the incident.
- AF in collaboration with the Ministry of Land Water and Resource Stewardship (WLRS) is
  planning to undertake outreach in the area for advancing flood risk reduction
  opportunities, reconciliation between farmers and First Nations, and advancing food
  security.

#### 4. Hatzic Lake:

- Work commissioned by the Fraser Valley Regional District (FVRD) outlined many contributors to excess sedimentation into Hatzic Lake and point source and non-point source pollution entering the lake that exacerbates the growth of invasive aquatic plants and contributes to events leading to fish kills.
- One contributor to sedimentation is agriculture and in particular the removal of riparian vegetation and the application of fill to agriculture land. Another contributor is the application of excess nutrient to cropland.
- There has been an expansion of blueberries in the area on land that floods frequently, and this may transport nutrients into the Lake.
- ALC has been active in the area, issuing orders and fines to stop the illegal dumping of fill in the area.

#### 5. Shellfish Closures:

- Fecal contamination of marine shellfish harvest sites is an important public health, food security, and economic problem in B.C. Consumption of shellfish contaminated with fecal pathogens has caused significant human illness in B.C., and subsequent closures of harvest sites have been associated with substantial cultural and economic consequences. Indigenous Nations and shellfish producers have been communicating with all levels of government to try to address this issue.
- Although marine waters may be contaminated with feces from different sources, including humans, agricultural animals, and wildlife, shellfish harvest sites in B.C. are closed without identification of the fecal source. Instead, contamination is monitored via the presence and concentration of bacteria which indicate whether feces are present. Because these bacterial indicators are present in humans and many animals, they cannot be used to identify where the feces came from. Without this information, regulators cannot take action to mitigate fecal sources. As a result, these sources remain unaddressed and may continue to contaminate the site leading to protracted human health risks and prolonged cultural and economic consequences.
- Closures due to Norovirus contamination have also had a significant impact on the
  industry. The BC Shellfish Growers Association reports a loss of sales of \$750K per week
  of closure as an underestimate which is a 32-35 percent production value drop from the
  2023/2024 Norovirus season. Farms in the area most affected by closures have
  reported upwards of 50 percent sales losses compared to the last season.
- These closures further affect the reputation of B.C. shellfish growers beyond the scope of illness with export partners refusing product even after closures are lifted.

#### 6. Cowichan Estuary:

The Cowichan/Koksilah River estuary restoration project is a high priority to improve
fish and wildlife habitat and increase the resiliency of the estuary to sea level rise. This
restoration project involves the removal of two provincially regulated dikes that are not
compliant with the Dike Management Act (DMA) to enable natural flooding of a farm
lease.

- Local farmers have raised many concerns regarding this project and organized a "Call to Action" protest in front of the Cowichan Valley Regional District's offices in Duncan on February 7, 2025, to raise concerns about the loss of farmland and other issues related to the Cowichan Estuary Restoration Project.
- The outcomes of the project include improving flood and sea level rise resiliency and creation of over 170 acres of fish and wildlife habitat. The Indigenous food system that WLRS is seeking to re-establish on the site with the support of Cowichan Tribes is focused on the production of speenhw "Camas". Historical and ethnographic evidence indicates that speenhw was one of the most important food staples for Quw'utsun, and that it formed an essential commodity of Quw'utsun economies and trade relationships with other Coast Salish groups. Other species such as tl'uliqw'ulhp "Yarrow", q'uxmin "Barestem Desert-Parsley", t'uqwum' "Thimbleberry", tth'iwuq' "Elderberry" and many more will support future Indigenous food system and ecological restoration work in the estuary.
- The project has a high level of support from all levels of governments, Cowichan Tribes, Environmental Non-Government Organizations (ENGO) and key stakeholders including the Cowichan Estuary Environmental Management Committee.
- Project funding over \$2M was obtained from the federal government with the expectation to start construction in summer 2023. This includes \$1.6M from the BC Salmon Restoration and Innovation Fund and \$250K Cowichan Tribes secured from the Federal Aquatic Habitat Restoration Fund.
- The judicial review was put in abeyance (on hold) in December 2023 while WLRS awaits decision from ALC on the non-farm use application to decommission (remove) a 450m portion of dike that is located within ALR. The non-farm use application was submitted to ALC on December 1, 2023. ALC requested a site visit with WLRS and the landowner (Nature Trust of BC) which was conducted on May 15, 2024. An Applicant Meeting was held by ALC with WLRS, Nature Trust, Ducks Unlimited, and Cowichan Tribes on May 22, 2024. On December 18, 2024, a request for additional information was received from ALC which WLRS is currently working on responding to.

#### 7. Elk management:

- Elk damage to crops and farmland is a long-standing problem in multiple regions of B.C. Both Roosevelt Elk and Rocky Mountain Elk herds can cause significant damage to agriculture crops and property and become easily habituated to areas. Their habituation to these areas disrupts farming operations, increases maintenance costs, and creates ongoing conflict with agricultural stakeholders. Without effective management, elk will continue to graze in valley bottoms, damaging farmers' fields, reducing crop yields, and farmers will continue to suffer considerable economic losses due to damage to standing forage, stackyards, and infrastructure.
- AF has an AWP that provides compensation due to wildlife damage from some harvested and unharvested crops, but this program is limited in what it can cover.
   Because the program is limited to compensation for standing crops grown for feed,

losses to stored crops or crops not grown for livestock feed are not included, nor is damage to farmland (e.g., soil quality, riparian habitat).

 First Nations communities in all areas of B.C. are interested in seeing an increase in elk numbers to provide adequate hunting opportunities for their members.

#### 8. Air Quality and Burning:

- Air quality in the Nechako Lakes and other areas in the Highway 16 corridor has at various times been impacted by a variety of sources including forest fires, wood heat systems, forestry, and agriculture, notably land clearing.
- The concerns for air quality have been elevated to MLA John Rustad who met with AF and ENV staff in the spring of 2024.
- AF and ENV staff are working to improve agricultural operator awareness of air quality regulations and practices to conduct any burning in least impactful manner. To date promotional information resources have been developed and presented to producers, (January 19, 2025). Staff are exploring the value of additional information resources specific to agricultural land clearing.
- The resources developed will be useful for other regions of the province including the tree fruit sector in the Okanagan.

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# **Home Based Food Craft**

#### RECOMMENDED RESPONSE:

- In British Columbia (B.C.), food safety laws are set by the Public Health Act (Food Premises Regulation) and the Food Laws Act, which are responsibility of the Ministry of Health (HLTH) and the BC Centre for Disease Control.
- Individuals who are interested in preparing food products for public consumption are encouraged to reach out to their local health authorities to be advised on the necessary permits and approvals.

#### **BACKGROUND:**

- Under the <u>Food Premises Regulation</u>, a food premises refers to any place where food intended for public consumption is offered for sale, supplied, handled, prepared, packaged, displayed, served, processed, stored, transported or dispensed.
- To operate a food premises, an application must be submitted to the local <u>Health</u>
   <u>Protection and Environment Services</u> office prior to construction or operation.
- In B.C., home preparation of food for public sale is not allowed unless food products
  are solely offered for sale at a Temporary Food Market and are deemed to be a lowerrisk food in accordance with the B.C. Temporary Food Market Guidelines.
- Applications for Temporary Food Markets (i.e. farmers' markets) and Temporary Events (i.e. special events) are overseen by Environmental Health Officers (EHOs) to minimize risk to public health. Health approval is required where markets and events offer services regulated under the *Public Health Act*.
- In <u>2020</u> and <u>2022</u>, MLA Ian Paton, agriculture critic for the Conservative Party of B.C., made attempts to have home based craft foods acknowledged via a private member's bill. In both instances, the bill did not pass.
- In a "Country Life in BC" article dated April 1, 2023, HLTH indicated that there were no plans at that time to allow the sale of "high-risk" foods prepared in a home kitchen.

# **CROSS JURISDICTIONAL COMPARISON:**

N/A

#### PROGRAM EXPENDITURE / REVENUE IMPLICATION:

N/A

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# Estimates Budget Presentation – 2024/25 Compared to 2025/26

THREE YEAR FISCAL PLAN

Table 1.3 Expense by Ministry, Program and Agency

(\$ millions)	Updated Forecast 2024/25 <sup>1</sup>	Budget Estimate 2025/26	Plan 2026/27	Plan 2027/28
Office of the Premier	17	18	18	18
Agriculture and Food	229	143	130	133

2024/25 UPDATED FINANCIAL FORECAST (THIRD QUARTERLY REPORT)

Table 4.6 2024/25 Expense by Ministry, Program and Agency

	Ye	ear-to-Date to	December :	31		Full	Year		
		2024/25		Actual		2024/25		Actual	
(\$ millions)	Budget 1	Actual 1	Variance	2023/24 1	Budget	Forecast	Variance	2023/24 1	
Office of the Premier	12	12	-	11	17	17	-	17	
Agriculture and Food	91	225	134	128	130	229	99	259	

#### Recommended Response:

- Budget 2025 reflects an increase of \$13 million to the ministry's base budget from \$130M in 2024/25 to \$143M in 2025/26.
- With regard to the claim the budget has been reduced by \$100M, this is a misunderstanding of the ministry's base budget.
- The discrepancy refers to \$99 million in additional claims in fiscal 24/25 under the Production Insurance Special Account, which resulted in a forecast total expenditure of \$229M (\$99M over the budgeted amount of \$130M).
- This money was paid out to farmers due to the extreme weather-related events that significantly impacted grapes and tree fruits but also affected the yields of forage, grain, berries and vegetables.
- The increase in budget 2025/26 includes additional funds for the Production Insurance Special Account to pay the province's share of increased premiums due to commodity prices, clients buying higher coverage and some rate increases reflecting loss experience.

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