



# The B.C. AGRIFOOD *and* SEAFOOD STRATEGIC GROWTH PLAN

CLEAN AIR



CLEAN WATER



BRIGHT SUN



GOOD SOIL



## MESSAGE FROM THE PREMIER

The British Columbia agrifoods industry is an important job-creator and an integral part of British Columbia's economy as we continue to grow our economy. The sector has a first class reputation around the world for providing innovative and high quality products, and this strategy ensures that we will continue to support the industry. The past year was record setting for the province, with agrifood sales reaching \$12.3 billion, and the B.C. Agrifood and Seafood Strategic Growth Plan is the B.C.'s government commitment to building on that success. The Plan provides us with a detailed map on the ways we can work together to build B.C.'s

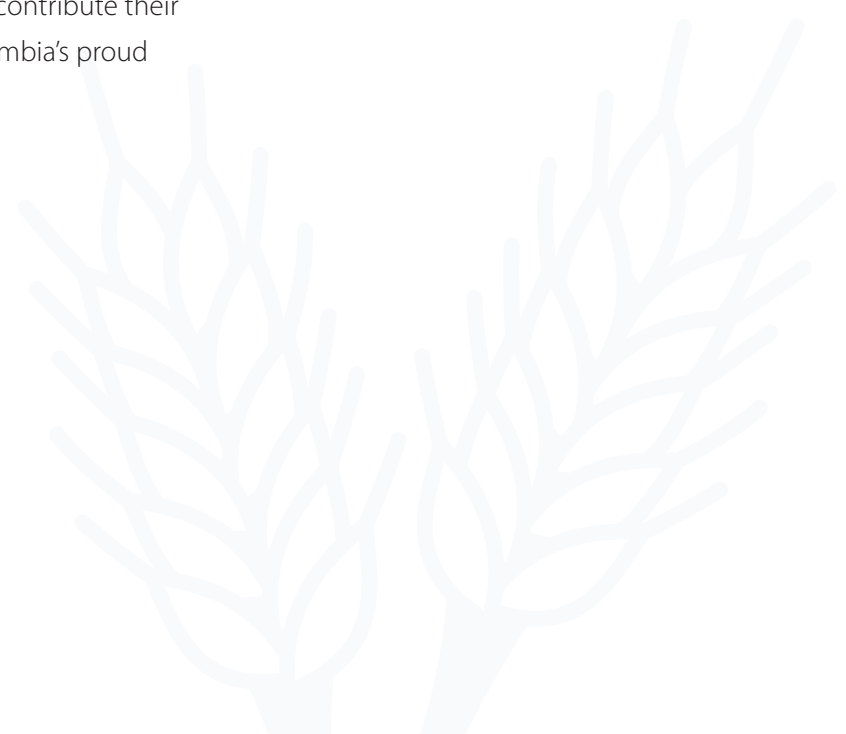
agriculture sector and increase agrifoods sales locally, across Canada, and around the world. As Canada's gateway to the Pacific, our province is in the perfect location to focus on export markets and we are doing just that. In 2014, B.C. agrifoods exports reached \$3 billion in exports, the highest ever, to more than 150 countries. The B.C. government looks forward to continuing our strong partnership with British Columbia's food producers and ensuring the next generation of B.C. agrifoods workers will continue to succeed, and contribute their own legacy to British Columbia's proud agriculture history.



*Honourable Christy Clark  
Premier of British Columbia*

A handwritten signature in black ink that reads "Christy Clark". The signature is fluid and cursive. Below the signature is a thin horizontal line.

The Honourable Christy Clark  
Premier of British Columbia



# MESSAGE FROM THE MINISTER

It is an honour to present The *B.C. Agrifood and Seafood Strategic Growth Plan* that will provide you with an overview of the ways we are creating opportunities and wealth for those working in the British Columbia agrifoods sector. We are going to continue building on the results of our *2012 BC Agrifoods Strategy*, and the \$1.8 billion dollars in sector growth in the last four years.

The B.C. Agrifood and Seafood *Strategic Growth Plan* outlines our goal of increasing provincial revenues in the agrifood and seafood sector to \$15 billion a year by 2020. The plan is focussed on three key areas of priority: increasing production; driving competitiveness; and building markets. We have one of the most diverse agrifoods industries in Canada, producing

more than 200 agriculture commodities and 100 seafood species, enjoyed locally and around the world. Agrifoods, including the food and beverage processing sector, is the second largest manufacturing industry in B.C. In 2014, there were more than 1,800 small and medium-firms in the province generating more than \$8.5 billion in shipments.

Through the new *Strategic Growth Plan*, the B.C. government will continue to support industry and the vital role they provide to B.C.'s food supply security and economy. We can all do our part in standing up for B.C. agriculture. When you buy local, you are not only supporting our province's producers and processors, but also your neighbour and the overall B.C. economy.



*Honourable Norm Letnick  
Minister of Agriculture*

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The Honourable Norm Letnick  
Minister of Agriculture

















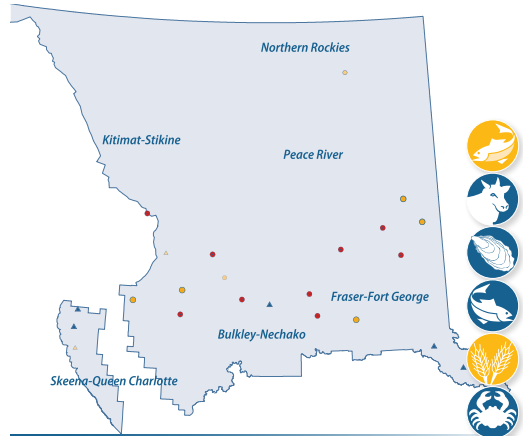
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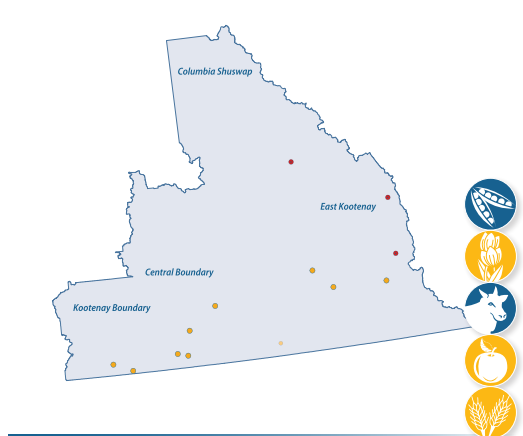


# BRITISH COLUMBIA'S AGRIFOOD and SEAFOOD BY REGION

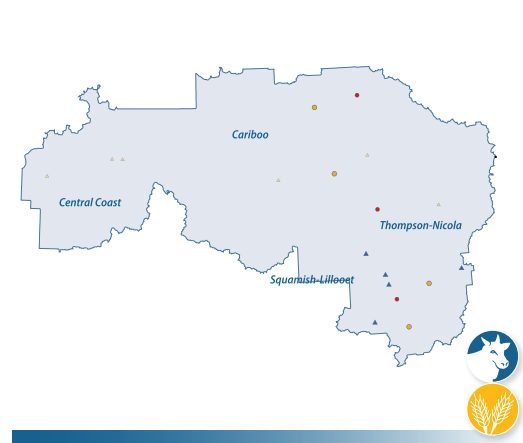
VALUE in MILLIONS	TOP SECTORS
\$554.7	 Dairy
\$534.2	 Poultry
\$505.1	 Salmon
\$494.0	 Greenhouse and Field Vegetables
\$449.1	 Floriculture and Nursery
\$279.1	 Beef
\$182.3	 Berries
\$163.6	 Shellfish
\$151.9	 Tree Fruits and Grapes
\$116.3	 Groundfish
\$275.0	 Other Agrifood
\$44.1	 Other Seafood



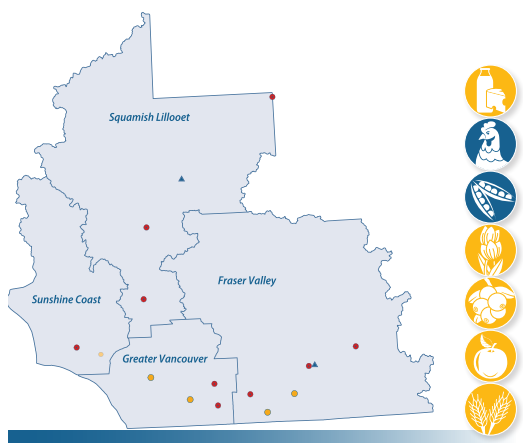
**NORTH**



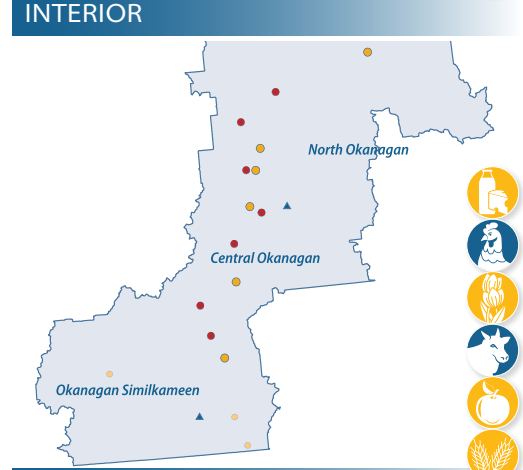
**KOOTENAY**



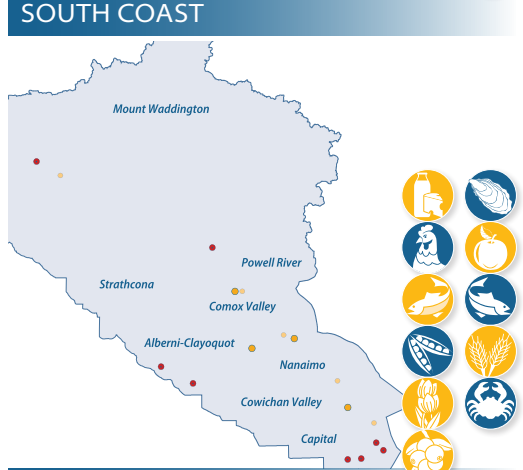
**INTERIOR**



**SOUTH COAST**



**OKANAGAN**



**VANCOUVER ISLAND**

# INTRODUCTION

**BRITISH COLUMBIA'S AGRIFOOD and SEAFOOD SECTOR** is a major contributor to our economy. That is why it was identified as one of eight key drivers in the *BC Jobs Plan*. Our province produces one of the most diverse ranges of agrifood and seafood products in Canada. The sector includes agriculture, fisheries, aquaculture and food and beverage processing. It is vital to our province's economic, social, and environmental well-being.

British Columbians are proud of the over 200 agriculture commodities and 100 seafood species we harvest and produce. In addition, B.C. has around 1,800 processing businesses which add value to agrifood and seafood products, producing foods and beverages ranging from breakfast cereal to wine to nutraceuticals. This value-adding processing sector is responsible for 70 percent of our province's agrifood and seafood revenues.

In 2012, the provincial government released the *BC Jobs Plan Agrifoods Strategy*, a five-year plan with 49 action items aimed at moving our agrifood and seafood sector to \$14 billion per year in revenues by 2017. Over its first three years, the strategy has helped contribute to over a billion dollar increase in the sector's annual revenues, which reached \$12.3 billion in 2014. The sector also directly employs around 55,000 British Columbians. Once all the related jobs in B.C.'s agrifood and seafood value chain are included, the sector is responsible for employing over 310,000 people:

## Employment in the BC Agrifood & Seafood Value Chain



There are three key challenges and opportunities that are fundamental to the future of the B.C. agrifood and seafood sector: achieving economic growth, adapting to climate change, and maintaining food supply security. This new *Strategic Growth Plan* aims to harness these opportunities, by building on our successes, and positioning our agrifood and seafood sector for continued future growth. Developed in collaboration with the *Minister's Agrifood Advisory Committee*, this *Strategic Growth Plan* provides direction for economic growth with a new, ambitious goal to increase the sector's annual revenues to **\$15 billion per year by 2020**.

**B.C.'S AGRIFOOD and SEAFOOD SECTOR** has a track record of reliable and steady economic growth that provides jobs in every B.C. community.

## SECTOR FACTS

OVER **\$12 BILLION** in annual revenues

APPROXIMATELY **55,000 JOBS**

MORE THAN **1,800** Food and beverage manufacturing operations

**\$3 BILLION** in exports to over 150 markets

## MINISTER'S AGRIFOOD ADVISORY COMMITTEE

*THE B.C. GOVERNMENT'S* 2015 *Speech from the Throne* committed to building on the success of the *2012 Agrifoods Strategy* by working with the *Minister's Agrifood Advisory Committee* on a new *Strategic Growth Plan*. The committee is comprised of more than 20 stakeholder groups, including leaders from the

business community, the agrifood and seafood sector, academia, the local food movement as well as provincial and federal government staff. The committee came together in 2014 to provide strategic advice on how to grow a strong agrifood and seafood economy and create high-paying jobs for British Columbians. Together, we have built a plan to achieve

our shared goal of \$15 billion in annual revenues by 2020. Moving forward, the committee will continue to work with the Minister of Agriculture on the implementation of this *Strategic Growth Plan* and engage the broader industry and public through an agrifood and seafood conference.

### GROWING FORWARD

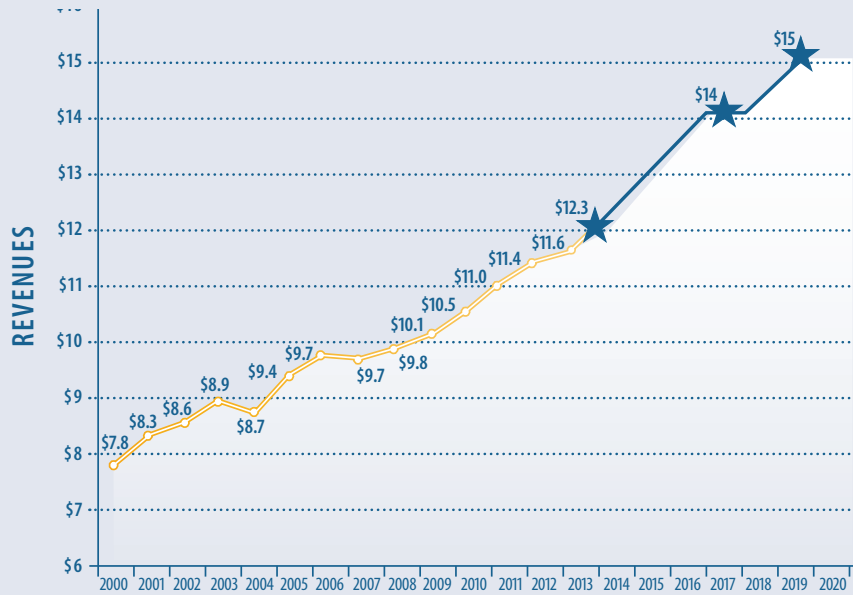
*GROWING FORWARD 2* is a five-year federal-provincial-territorial policy framework for Canada's agriculture and agrifood sector. This agreement is the basis for coordinated, cost-shared programs to help the sector become more competitive and innovative.

In British Columbia, the federal and provincial governments will invest an estimated \$427 million in *Growing Forward 2* between 2013 and 2018. This accounts for over 70 percent of the B.C. Ministry of Agriculture's investment in the sector. Many of the actions in this *Strategic Growth Plan* will be realized through the programs in this agreement.

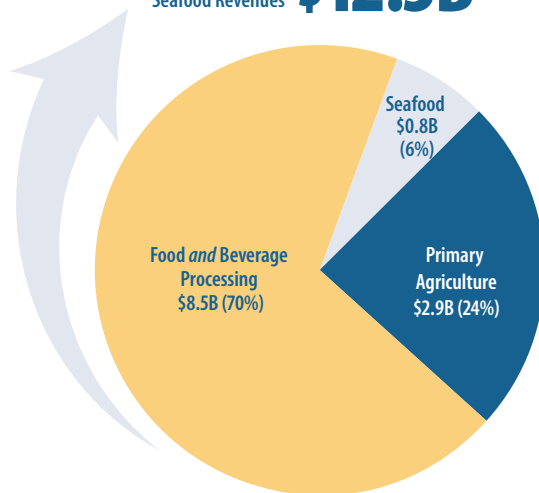




## BRITISH COLUMBIA AGRIFOOD and SEAFOOD REVENUES (BILLIONS)



Total Agrifood and Seafood Revenues **\$12.3B**





## THE CHALLENGES AND OPPORTUNITIES FACING THE SECTOR

**GLOBAL TRENDS** such as a growing world population, rising incomes and climate change are increasing overall demand for B.C.'s agrifood and seafood products. Our province boasts competitive advantages that benefit agrifood and seafood production and processing in B.C. These include our climate, access to markets and a stable political environment.

### ACHIEVING ECONOMIC GROWTH

The economic context for the province is shifting, with comprehensive international trade agreements with Europe, Korea and other key Pacific Rim countries creating new market opportunities. At the same time however, these trade agreements will bring increased domestic competition. While B.C. is well positioned to serve as Canada's gateway to the growing economies of the Asia-Pacific, some international competitors have the advantage of greater economies of scale as well as lower capital, labour, land, and input costs. In addition, our agrifood and seafood industry must contend with varying international standards for the production of safe food. Access to skilled

labour in our agrifood and seafood sector continues to be a challenge, especially as this need varies seasonally and cyclically. In addition to this, the sector's profitability is also significantly affected by exchange rates and the varying costs of essential inputs like energy, water and animal feed.

The *Strategic Growth Plan* builds on the province's considerable strengths, including the diversity of products produced, a domestic market that boasts a strong 'buy local' culture, and an international reputation for high quality goods. Consumers both at home and internationally want healthy food from trusted, sustainable sources; B.C. products can deliver just that.

## ADAPTING TO CLIMATE CHANGE

Climate change will significantly impact the agrifood and seafood sector on a global scale. Most tropical and sub-tropical regions will face reduced crop yields and food production. However, B.C. and other higher latitude areas may benefit, with the potential to achieve higher yields, grow new crops, and expand production in the northern parts of the province.

Challenges arising from the increased likelihood of extreme weather events such as flash floods, fires, drought and

changing ocean conditions will need to be addressed. Successful adaptation to climate change will be necessary for the agriculture industry to continue to grow and be an important contributor to the B.C. economy. Government will be undertaking further analysis to help the B.C. agriculture industry adapt to a changing climate and make recommendations on the challenges and opportunities climate change will have for the B.C. agrifood and seafood sector.

## MAINTAINING A SECURE FOOD SUPPLY

B.C.'s agrifood producers benefit from a number of attributes which support food supply security, including strong protections for agricultural land, a generous tax policy framework, a mild climate and extended growing season in many regions, an international reputation for food safety and quality, strong domestic markets and proximity to many export markets. These competitive advantages place B.C. in a strong position in the event of possible future disruptions to food supply systems.

The Province is working to further enhance food supply security in B.C. For example, we have established agreements for effective coordination of critical disease control responses, such as the Federal-Provincial Foreign Animal Disease Emergency Support Plan. Government and industry continue to undertake joint actions to develop and expand domestic, interprovincial and international markets for B.C.'s agrifood and seafood products and raise production. The actions set out in this strategy will further strengthen the security of our food supply.





## HOW THIS STRATEGIC GROWTH PLAN RESPONDS

*In response to these challenges our Strategic Growth Plan commits to:*

- ▶ **Participating** in and supporting labour market initiatives
- ▶ **Encouraging** innovation
- ▶ **Working** with industry to encourage business strategies that leverage B.C.'s advantages
- ▶ **Growing** and promoting safe, high quality B.C. produced foods
- ▶ **Increasing** production through improved access to land and water for agriculture and aquaculture
- ▶ **Promoting** opportunities throughout the value chain to create a strong local agricultural system
- ▶ **Supporting** succession planning, encouraging new entrants and growing experience with best management practices
- ▶ **Integrating** climate adaptation into Ministry business lines





### B.C. FOOD FACTS

*Beekeeping has been practised in British Columbia for over 150 years, starting with two hives of honeybees that arrived at Victoria by ship in May 1858. Today, honeybee pollination is responsible for more than \$200 million per year in agricultural production in B.C.*



## THE ACTION PLAN

### *THIS STRATEGIC GROWTH PLAN*

provides focused support to B.C.'s agriculture, commercial fishing, aquaculture and food and beverage manufacturing sectors to increase total annual revenues to **\$15 billion per year by 2020**.

Further growth in B.C.'s agrifood and seafood production will increase economic activity province-wide, while producing food both for domestic consumption and international trade. This *Strategic Growth Plan* supports increased production and yields across the sector, including agriculture commodities, seafood species, and food and beverage processing.

While the focus of the *Strategic Growth Plan* is on driving economic development, it also touches on important related environmental and social aspects that affect the province.



### B.C. FOOD FACTS

More than 80 types of fruits and vegetables are grown in B.C., generating over \$800 million in farm sales from a combined growing area close to the size of Abbotsford.



# VISION, GOALS, PRIORITIES AND TARGETS

## THIS AGRIFOOD AND SEAFOOD STRATEGIC GROWTH PLAN

is British Columbia's roadmap to continued growth in a sector that is vital to our economy. As part of the *BC Jobs Plan*, this plan builds on the success of the 2012 *B.C. Agrifoods*

*Strategy*, which helped the sector grow from \$10.5 to \$12.3 billion in four years, contributing around 55,000 jobs to our economy.

**VISION:** To be an innovative, adaptive and globally competitive agrifood and seafood sector valued by all British Columbians.

**GOAL:** Increase B.C. agrifood and seafood sector revenues to \$15 billion per year by 2020.

To achieve this goal, this *Strategic Growth Plan* focuses on objectives and targets for 2020 relating to **three key priorities:**

### INCREASING PRODUCTION

- » Increase farmland in production by 91,000 hectares (three percent) and increase production yields
- » Increase aquaculture production including fish, shellfish and marine plants by 13,000 tonnes (14 percent)
- » Increase the wholesale value of the wild fishery by \$102.5 million (13 percent)

### DRIVING COMPETITIVENESS

- » Increase the agrifood and seafood profit margin by 3.5 percent (from 10.5 to 14 percent)
- » Increase agrifood and seafood labour productivity by \$3.70 per hour worked (11 percent)
- » Increase agrifood and seafood sector investment in research and development by \$6 million (20 percent)

### BUILDING MARKETS

- » Build the domestic market by increasing domestic purchases of B.C. products by \$2.3 billion (43 percent)
- » Break down interprovincial barriers and increase the interprovincial purchase of B.C. products by \$1.1 billion (27 percent)
- » Build international markets through increased exports of B.C. products by \$0.8 billion (29 percent)

## Key Priority 1: INCREASING PRODUCTION

### MISSION

*To increase production of primary agriculture, seafood and food and beverage processing by increasing the area available for production, increasing the yield from areas in production and increasing the range, volume and value of the goods we produce.*

**THE PRIMARY AGRICULTURE SECTOR** is made up of nearly 20,000 farms, using 2.6 million hectares of land throughout the province. The wild fishery and aquaculture sectors together produce enough seafood for two billion meals a year.

We believe there is good potential to increase production, both in agriculture and in seafood. Diversity in production in B.C. reduces cyclical risks and is responsive to demand for new product characteristics. Each of our province's six regions has unique growing conditions that enable farmers to produce more than 200 commodities across B.C.

Although our province is best known for fruits, vegetables, livestock, dairy and poultry, more than 35 percent of B.C. farms pursue opportunities in other crops and animals such as Christmas trees, hogs, bedding plants and flowers, sheep and goats. In seafood, B.C. also produces a diverse range of products and leads Canada in sales of salmon, halibut, rockfish, skate, dogfish, hake, tuna, cultured clams, oysters and scallops.

By increasing production of our wide range of products, we will increase the sector's revenues and create jobs for British Columbians.



*"...35 PERCENT OF B.C. FARMS pursue opportunities in other crops and animals such as Christmas trees, hogs, bedding plants and flowers..."*





## WHAT WE HAVE ALREADY ACCOMPLISHED

- ▶ **NEW LEGISLATION** enabled the Agricultural Land Commission to retain its independence, continue to protect B.C. farmland for agriculture and help farmers increase their income from their land.
- ▶ Significant steps forward in marine management were achieved with the completion of plans under the **MARINE PLANNING PARTNERSHIP**. The initiative is a partnership between the Province and 18 member First Nations that developed marine use plans for B.C.'s North Pacific Coast that provide recommendations for key areas of marine management, including uses, activities and protection. The plans will inform decisions regarding the sustainable economic development and stewardship of B.C.'s coastal marine environment.
- ▶ The Province committed \$8.4 million under the **TREE FRUIT REPLANT PROGRAM** to replant approximately 1,600 acres over seven years.

## STRATEGIC GROWTH PLAN TARGETS TO 2020

- » **INCREASE FARMLAND IN PRODUCTION** by 91,000 hectares (three percent) and increase production yields
- » **INCREASE AQUACULTURE PRODUCTION** including fish, shellfish and marine plants by 13,000 tonnes (14 percent)
- » **INCREASE THE WHOLESALE VALUE** of the wild fishery by \$102.5 million (13 percent)

**UNDER THIS STRATEGIC GROWTH PLAN**, we will enhance existing initiatives, including:

- » **Working** with local governments and other agencies to encourage land-use planning, assessment regulations and bylaws supporting sustainable food and processing production.
- » **Encouraging** industry to create strategies for self-sustained replanting and reproduction cycles.
- » **Investigating** issues involving the security of B.C.'s food supply.
- » **Supporting** the supply-managed sector, the B.C. Farm Industry Review Board and national supply management agencies to secure an optimal allocation of new quota for B.C.

## Actions to Increase Production

1. Identify options for increasing and intensifying production on unused or underutilized land.
2. Implement *B.C.'s Seafood Strategy* (see page [19](#)).
3. Participate in and support labour market initiatives:
  - I. Promote the sector's interests and encourage industry to leverage labour partnerships, labour training, youth employment, seasonal agriculture workers and temporary foreign worker programs.
  - II. Identify and implement opportunities to support the success of new entrants, youth, and First Nations in the agrifood and seafood sector, including succession planning.
4. Encourage and enable industry to identify, reduce, and manage risk to enable production and improve access to capital:
  - I. Proactively identify sector-level risks and promote the development and implementation of plans and activities to mitigate these risks.
  - II. Increase the effectiveness of existing Business Risk Management programming by adapting quickly to new and emerging crops and cropping techniques.
  - III. Encourage and enable industry to develop their own specific risk management products to meet specific needs.
  - IV. Improve the risk management of wildlife that has a negative economic impact on agriculture by:
    - i. Reducing problem predators;
    - ii. Reducing the habituation of elk populations; and
    - iii. Targeting mitigation funding at severe, chronic losses.
5. Implement changes to *The Agricultural Land Commission* and ensure the Agricultural Land Reserve is working for British Columbia (see page [23](#)).
6. Encourage the creation and implementation of a forage plan to increase the quality and quantity of forage for regional and export markets.



### SEAFOOD STRATEGY MISSION

*To maximize the aquaculture, commercial, and marine recreational fisheries while balancing environmental sustainability objectives and supporting a diversified economy.*

**AN ELEMENT OF THE STRATEGIC GROWTH PLAN** is a focus on growing our seafood sector. There are great opportunities in the sector, with more than 100 species of fish, shellfish and marine plants already being harvested from our waters. In 2014, B.C. produced 500 different seafood products, with a combined wholesale value of \$1.44 billion – the highest seafood value our province has produced in the last quarter century. British Columbia producers shipped \$981 million worth of processed seafood in 2014 to 74 export markets. The seafood sector provides jobs and economic opportunities for coastal communities and has a history of successful partnerships with First Nations.

### GROWTH OPPORTUNITIES IN SEAFOOD

Global population growth, coupled with the increasing affluence of consumers, is driving an ever increasing demand for food, and in particular, reliable sources of protein like seafood. However, traditional sources of seafood through wild harvest are becoming increasingly at risk globally because of the impacts of over-fishing, climate change, and industrial development. As a result, the harvest from many major capture fisheries has either plateaued or declined.

Governments world-wide are faced with the same challenge: how to preserve a sustainable wild harvest of seafood, while meeting increasing demand through new sources such as aquaculture. While aquaculture represents an economic opportunity that B.C. is well positioned for, it also must be achieved in a sustainable manner.

Each area of the sector has opportunities for growth. Our goal with wild fisheries is to derive increased economic benefit from sustainable harvest levels. Increases in the value of seafood products processed in B.C. can result from using more imported seafood in seafood manufacturing or

adding more value to our domestic harvest through increased quality and higher value processing. In addition, increased demand for B.C.'s wild fisheries products through new market access (for example in Europe, China, Korea and Japan) will also increase the value of these limited resources.

Wild fish and seafood stocks are an integral part of B.C.'s economy, environment and culture. As B.C.'s priority is to sustain and protect what we have, *our efforts include:*

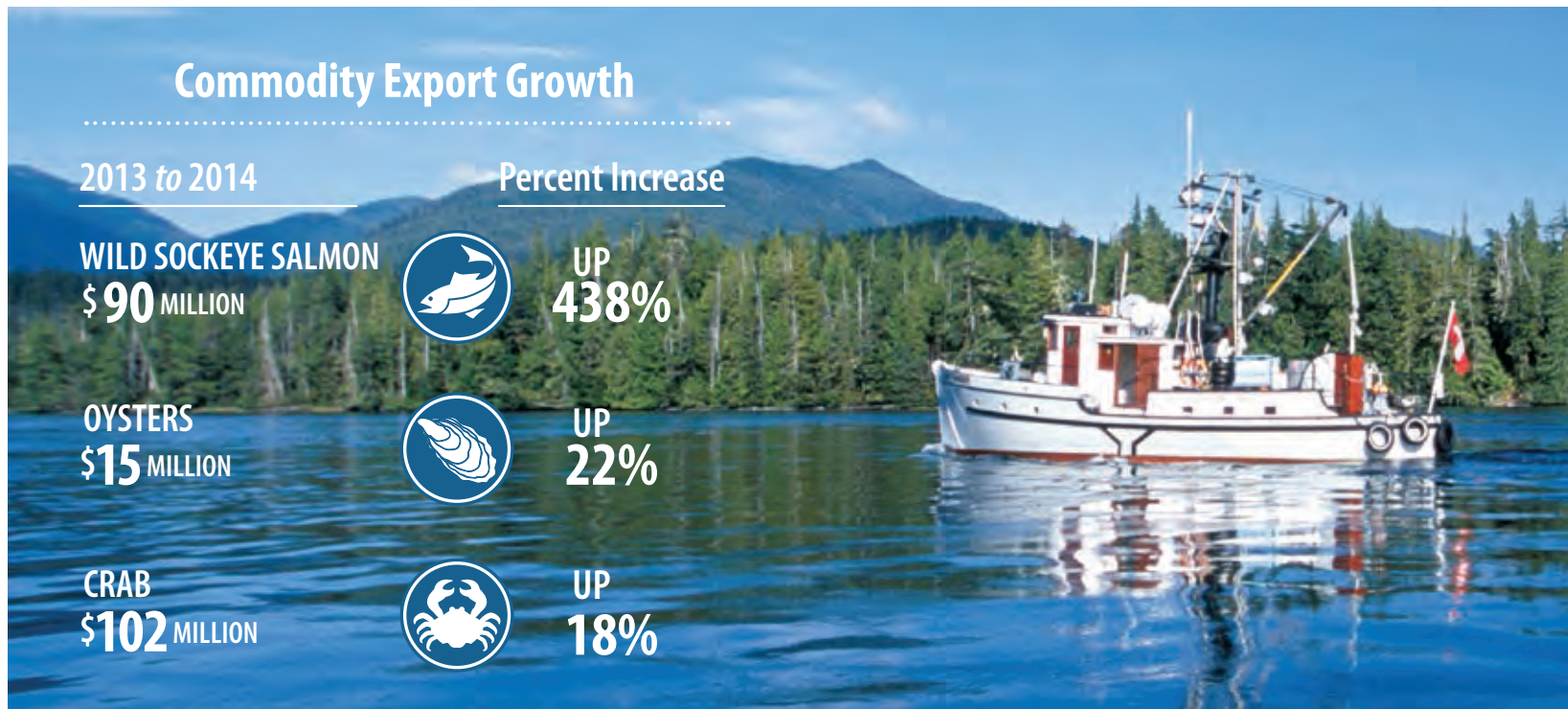
- ▶ **Promoting** conservation and enhancement of wild fish populations by working across ministries to minimize the impact of development projects on fish habitat, while supporting policies to conserve our fisheries resource.
- ▶ **Supporting** national and international negotiations that establish sustainable sharing arrangements for fisheries. These negotiations determine how much fish can be caught and where, ensuring the sustainability of the wild fish stocks.
- ▶ **Delivering** foundational diagnostic and research support services that improve the understanding of fish populations and the risks they face, including fish health and disease.

## B.C.'S SEAFOOD STRATEGY (continued)

► **Another opportunity for growth** in B.C.'s seafood sector is through aquaculture production. B.C.'s aquaculture sector includes the production of a wide variety of species including: finfish such as salmon, sablefish and sturgeon; shellfish such as clams, mussels, and scallops; and marine plants such as kelp and algae. Producers could realize growth by investing in new aquaculture sites, developing land-based aquaculture or enhancing aquaculture practices to increase the

sustainable production of existing farms. Following the release of the 2012 Cohen Commission report, the B.C. government responded to the eight Commission recommendations that directly referenced the Province. In July 2015, the BC government announced four new salmon farm sites in B.C. had received both federal licenses and provincial tenures. The B.C. government also announced that it will examine the rules and restrictions that guide the application and approval process

to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with British Columbia's wild fishery resource. While these actions are being undertaken, the Province will not consider any further approvals for new salmon aquaculture tenures. These responses demonstrate the Province's commitment to the responsible management of B.C. fisheries, including a sustainable aquaculture industry.



### SEAFOOD STRATEGY: Ongoing Initiatives

This *Seafood Strategy* includes continued enhancement of the following current initiatives:

- ▶ **Increasing** the capacity of the provincial veterinary diagnostic laboratory at the Animal Health Centre in Abbotsford to support the Fish Health Auditing and Surveillance Program and provide a comprehensive health management program for salmon aquaculture in partnership with Provincial and Federal

agencies, aquaculture veterinarians, and academia.

- ▶ **Supporting** projects to diversify the aquaculture industry such as the development of aquaculture for emerging species.
- ▶ **Working** with other agencies and participating in international negotiations, to ensure that B.C.'s interests are protected and our fishers have access to an equitable share of available harvests and are able to explore new opportunities.

- ▶ **Working** with First Nations and northern communities to develop aquaculture businesses and maximize growth opportunities.
- ▶ **Supporting** international media missions to increase awareness of the B.C. aquaculture industry and increase demand for B.C. seafood products to key markets.
- ▶ **Promoting** youth development initiatives that support careers in aquaculture.



"THIS SEAFOOD STRATEGY includes continued enhancement of... Promoting youth development initiatives that support careers in aquaculture."



## B.C.'S SEAFOOD STRATEGY *(continued)*

### ACTIONS TO DELIVER THE SEAFOOD STRATEGY

We will implement a multi-year development plan to maximize the economic potential of B.C. seafood.

To bring this about, we will undertake Action Item #2 of Key Priority 1: Increasing Production with seven seafood actions.

- 2.1 Provide industry with a single access point to federal and provincial authorities through the establishment of a provincial Seafood Secretariat that will provide consistent provincial policy positions.
- 2.2 Implement the new Fish and Seafood Act and be more responsive to today's business environment by updating the licensing and regulation of buying, selling, handling, storing and processing of B.C. seafood. To support sustainability and consumer confidence in the safety of B.C. seafood, this legislation will:
  - » Enable the creation of a seafood traceability system;
  - » Increase inspection and enforcement with new abilities to order seizure, destruction and recall of unsafe food;
  - » Establish new penalties for offences like failure to ensure safe food, and possession and distribution of restricted fish and aquatic plants, with increased fines; and
  - » Confirm that aquaculture operators, like other farmers, will be protected from nuisance lawsuits and overly restrictive bylaws under the Right to Farm system if they are following normal operational practices.
- 2.3 Support sustainability certification programs for aquaculture and wild fisheries operations in order to ensure industry growth in the long-term is aligned with world class standards for sustainability.
- 2.4 Increase public awareness of the sustainability of seafood – including wild fish and aquaculture – and the health benefits associated with these foods.
- 2.5 Work with the federal government to expand the eligibility of Growing Forward programs for the seafood sector in the areas of innovation and competitiveness.
- 2.6 Encourage the diversification of commercially-harvested and aquaculture species.
- 2.7 Before the Province will consider any further approvals for new salmon aquaculture tenures, the government will examine the rules and restrictions that guide the application and approval process to ensure that aquaculture operations are socially and ecologically sustainable and can co-exist with British Columbia's wild fishery resource. Specifically, the government will:
  - » Strike a standing Minister of Agriculture's Advisory Council on Finfish Aquaculture that will include members from the aquaculture industry, non-governmental organizations and First Nations, as well as the Ministry of Agriculture and the Ministry of Forests, Lands and Natural Resource Operations.
  - » Examine establishing a protocol for receiving advice from the Aquaculture Stewardship Council in regard to tenures for new aquaculture sites.
  - » Examine the feasibility of improved microbe detection at aquaculture sites arising from the work being undertaken by Genome B.C. in tandem with the other scientific evidence already available to the Province.

## THE AGRICULTURAL LAND COMMISSION

**THE AGRICULTURAL LAND RESERVE (ALR)** is a provincial zone dedicated for agricultural use where farming is encouraged and non-agricultural uses are restricted. The Agricultural Land Commission (ALC) is an independent body who works to preserve and encourage farming in collaboration with local communities through the administration of the ALR. The B.C. government has recently made changes to the ALR and ALC to ensure that protecting agricultural lands for the purpose of agriculture remains a priority, while creating new economic opportunities for farming families.

The ALC's governing legislation, the *ALC Act*, was amended in 2014 and, in 2015, government enacted related regulatory changes. **These changes include:**

- ▶ **Establishing** two ALR zones with additional decision making criteria in Zone 2
- ▶ **Formalizing** and strengthening decision making abilities at the regional level
- ▶ **Allowing** for new economic opportunities for farming families without having to go to the ALC for a decision

With the legislative framework now in place, this *Strategic Growth Plan* commits to implementing these changes that will

help protect valuable farmland; better support farming families by strengthening regional decision-making; assist the ALC in providing better service to the farming community; and support long term planning for municipalities.

In addition to implementing these legislative and regulatory changes, the ALC and the Ministry of Agriculture are committed to continuous business improvement and to improve services to farmers. This will include establishing governance and accountability frameworks and service standards, consistent with other government boards, agencies and commissions.



“THE AGRICULTURAL LAND COMMISSION (ALC) is an independent body who works to preserve and encourage farming in collaboration with local communities...”



## Key Priority 2: DRIVING COMPETITIVENESS

### MISSION

*To encourage increased productivity through efficiency and innovation, which will drive the sector's competitiveness and long term economic growth.*

**COMPETITIVENESS IS THE CONTINUOUS PROCESS** of seeking productivity gains (reducing average costs) and increasing demand for one's product relative to other producers. Identifying opportunities and

taking calculated and balanced risks to create value, while increasing efficiencies through activities that reduce costs, can significantly enhance the viability of an agrifood or seafood operation. In a constantly evolving global marketplace, all aspects of the agrifood and seafood value chain benefit from adopting more efficient practices.

Through changes in operating practices that reduce expenses and increase revenues, innovation can enhance the profitability of an operation. B.C.'s agrifood and seafood sector is a key player nationally in research and development. The sector in B.C. ranks third among Canadian provinces in total business

research and development expenditures. Since the release of the 2012 Agrifoods Strategy, the combined agrifood and seafood sector has invested almost \$42 million in research and development.

Businesses that seize the innovation advantage have the opportunity to increase their productivity, develop novel products for new markets, and find new ways to provide safety and quality assurance to customers, while reducing their operating costs and exposure to business-related risks. We will support the sector's innovative culture to enhance competitiveness through a sustainable, environmentally friendly food system.



"IN A CONSTANTLY EVOLVING GLOBAL MARKETPLACE, *all aspects of the agrifood and seafood value chain benefit from adopting more efficient practices*"





WHAT WE HAVE  
ALREADY ACCOMPLISHED

- ▶ The provincial **MEAT INSPECTION PROGRAM** ensures the highest safety and quality standards.
- ▶ The federal-provincial **GROWING FORWARD 2** innovation programming helps B.C.'s agrifood sector become more competitive. The program has supported 103 projects and, among other achievements, has led to the successful development of 72 new products and 22 new agri-technologies.
- ▶ The new **ANIMAL HEALTH ACT** makes industry even stronger and more competitive by incorporating modern animal disease control practices.

STRATEGIC GROWTH PLAN TARGETS TO **2020**

- ▶ **INCREASE THE AGRIFOOD AND SEAFOOD PROFIT MARGIN** by 3.5 percent (from 10.5 to 14 percent)
- ▶ **INCREASE AGRIFOOD AND SEAFOOD LABOUR** productivity by \$3.70 per hour worked (11 percent)
- ▶ **INCREASE AGRIFOOD AND SEAFOOD SECTOR INVESTMENT** in research and development by \$6 million (20 percent)

**UNDER THIS STRATEGIC GROWTH PLAN**, we will enhance existing initiatives, including:

- » **Continuing** the Greenhouse Carbon Tax Rebate program and encouraging greenhouse operators to adopt technology, practices and processes to enhance energy efficiency and competitiveness.
- » **Providing** support to address gaps in research initiatives that balance sustainable business practices and environmental priorities while also ensuring an acceptable return on investment – including the encouragement of late stage research and the piloting and adoption of activities with high commercial feasibility.



### B.C. FOOD FACTS

*British Columbia's greenhouse sector is highly innovative, with some of North America's most advanced operations. For example, some nurseries collect condensation, rainwater, fertilizing nutrients and irrigation run-off and recycle it for use in the greenhouse. Also, heat collected from solar thermal arrays and warehouse refrigeration exhaust can be stored and circulated. Both of these processes reduce the amount of natural gas and water required by the greenhouse.*



## Key Priority 2: DRIVING COMPETITIVENESS (continued)

### ACTIONS TO DRIVE COMPETITIVENESS

7. Promote the maximization of commercialization opportunities based on market demand, research capacity and industry capability.
  - I. Encourage industry to increase production and commercialization of higher margin products for fast growing markets.
  - II. Encourage processing capacity growth to create opportunities for B.C. producers, including those growing novel products.
8. Promote industry adoption of initiatives to enhance biosecurity in British Columbia.
9. Encourage innovations that reduce the environmental impact of agrifood and seafood production and processing, such as by reducing air emissions and improving management and utilization of by-products.
  - I. Implement nutrient management strategies for selected regions and industry sectors.
  - II. Identify new opportunities for bio-resource technology adaptation.
  - III. Support the development and adoption of by-product processing.
10. Work with local governments and industry to develop and support regionally appropriate water management strategies.
11. Work with industry, local governments and other partners to increase the capacity of B.C. farmers to adapt to climate change and weather related production risks and impacts.
  - I. Support the development and implementation of regional adaptation strategies in key agricultural areas of the province.
  - II. Provide support and services for the piloting and demonstration of innovative adaptation practices on B.C. farms and ranches and promote resource sharing and collaboration.
12. Work with the Ministry of Finance to implement the 25 percent tax credit on the value of farmed food donated to non-profit organizations.



## POWER IN FARMS

Village Farms International operates an electricity co-generation facility using methane gas from the Vancouver Landfill to generate electricity for B.C. Hydro and thermal heat for greenhouses in Ladner, B.C. Village Farms developed and operates 110

acres of greenhouses in Delta, B.C. The co-generation facility has been in operation since 2004 and has a long-term agreement with B.C. Hydro. The greenhouse plans to partner with Quadrogen Power on a fuel cell research and development project.



## B.C. FOOD AND BEVERAGE PROCESSING

**BRITISH COLUMBIA'S FOOD AND BEVERAGE INDUSTRY** is one of the largest manufacturing sectors in the province based on revenues. Food and beverage processing supports over 28,000 jobs and ships \$8.5 billion per year in products. The sector is characterized by a broad range of companies and products ranging from micro-sized firms with a few offerings to large multi-nationals that produce a wide array of goods. More than 1,800 B.C. companies process agrifood and seafood products derived from local and imported sources. The majority of these operations have fewer than 100 employees.

Most processors are strategically located close to B.C.'s highly integrated transportation system, making it easy to access ingredients and ship finished goods to local, Canadian and international markets.

The sector uses inputs from B.C. and around the world to produce high-quality, in-demand products for B.C., Canadian and international consumers. The sector's use of locally produced inputs drives forward our entire agrifood and seafood value chain.

There are growing opportunities for specialty, niche products as well as products that capitalize on Canada's reputation for high-quality, safe agrifood and seafood products.

To help achieve this, the provincial government has demonstrated support for the sector through a range of activities.

*For example:*

- ▶ **Extending** the Canada-B.C. Agri-Innovation Program by providing \$13.4 million to help industry develop and commercialize new products and practices. This program has funded 24 companies that develop new food and beverage products. Ten of these new products are now in the marketplace.
- ▶ **Supporting** the Path to Commercialization Program, designed to coach new or rapidly growing agrifood companies through business challenges; 20 companies have completed the program, contributing to the creation of an estimated 120 new jobs over two years.
- ▶ **Hiring** of the first Ministry of Agriculture industry specialist in food and beverage processing.

In addition to these activities, this *Strategic Growth Plan* will help the sector through new actions that:

- ▶ **Support** innovation and growth in processing capacity to create opportunities for B.C. producers.
- ▶ **Encourage** the development and adoption of buy local policies.
- ▶ **Promote** industry growth through increased exports.

## DAIRY PROCESSING ON THE LEADING EDGE

Based in Abbotsford, *VITALUS NUTRITION* specializes in producing dairy proteins used in a wide variety of food products. With the assistance of Growing Forward funding under the Agri-Innovation Program, Vitalus has developed a lactose-free milk protein concentrate.

Additional support from the program in 2013 enabled the company to conduct a pilot production trial of a prebiotic developed from milk permeate. Most milk permeates go into animal feed, a low value product. A prebiotic, however, can enhance higher value products such as infant formulas, meal replacement drinks, energy drinks and desserts. Using milk permeate this way creates a new profit stream for the company and new potential for B.C.'s agrifood sector. Since the pilot trial, Vitalus has moved forward to the next development stage, including designing the process and layout for production of the prebiotic.



### B.C. FOOD FACTS

*A B.C. dairy cow can produce over seven, 4L jugs of milk a day, and almost 2,370 jugs of milk a year. In total, B.C.'s dairy farmers produce about 690 million litres of milk a year.*



## Key Priority 3: BUILDING MARKETS

### MISSION

*To encourage the growth of markets for B.C. agrifood and seafood products at home, across Canada and internationally.*

**BRITISH COLUMBIA AGRIFOOD AND SEAFOOD PRODUCTS** are in demand locally and around the world. B.C. agrifood and seafood exports reached a record \$3 billion in 2014, as B.C. producers shipped hundreds of different products

to more than 150 markets. At \$2 billion, the United States is our largest export market, taking 69 percent of the total, followed by China, Japan and Hong Kong. Our top export products are cultured Atlantic salmon, food preparations for manufacturing, blueberries, baked goods and crab.

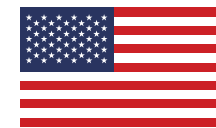
Government is involved in major international trade negotiations, identifying new international market opportunities and removing barriers to entering these markets. These agreements will enable B.C. producers to take advantage of the rising global demand for safe, high quality agrifood and seafood products.

B.C. consumers also enjoy agrifood and seafood products from right here at home. Taking advantage of the growing interest in local food by actively promoting B.C. products, B.C. farmers, fishers, and food processors can capture more of the local market. Removing inter-provincial trade barriers and showcasing B.C. agrifood and seafood products to other Canadians will enable B.C. producers to increase sales in other provinces and territories.

By expanding domestic and international markets, we can ensure sustainable, long-term growth for B.C.'s agrifood and seafood sector, contributing to a strong overall economy and continued job creation across the province.



### 2014 Export Growth in Key Markets



**USA**  
\$2 Billion  
(↑12%)



**CHINA**  
\$264 Million  
(↑16%)



**JAPAN**  
\$199 Million  
(↑17%)

WHAT WE HAVE  
ALREADY ACCOMPLISHED

- ▶ **THE \$6 MILLION BUY LOCAL PROGRAM** has helped promote B.C. products locally and strengthen local economies.
- ▶ **B.C. REACHED AN AGREEMENT** with Saskatchewan to allow direct to consumer access for wine and craft spirits.
- ▶ Agrifood and seafood **EXPORTS INCREASED 11 PERCENT** between 2013 and 2014; exports to China reached a record level of \$264 million.
- ▶ Since the release of the **2012 AGRIFOODS STRATEGY** the Ministry of Agriculture has led trade missions to priority markets and supported industry at more than 50 international agriculture and seafood trade events.

STRATEGIC GROWTH PLAN TARGETS TO **2020**

- ▶ **BUILD THE DOMESTIC MARKET** by increasing domestic purchases of B.C. products by \$2.3 billion (43 per cent)
- ▶ **BREAK DOWN INTERPROVINCIAL BARRIERS** and increase the interprovincial purchase of B.C. products by \$1.1 billion (27 per cent)
- ▶ **BUILD INTERNATIONAL MARKETS** through increased exports of B.C. products by \$0.8 billion (29 per cent)

**UNDER THIS STRATEGIC GROWTH PLAN**, we will enhance existing initiatives, including:

- » **Leveraging** the success of the 2014 trade agreement between Canada and China that opened the doors for B.C. cherry growers and continuing to work on blueberry and improved beef access.
- » **Exploring** overseas export opportunities to drive growth through participation in tradeshows, trade missions and promotional events.
- » **Supporting** increased exports through the \$4.3 million B.C. Agrifoods Export Program, which provides matching funds to support industry participation at international tradeshows, promotional events, incoming and outgoing trade missions and to develop marketing materials for international audiences.
- » **Continuing** to work with local governments and industry on agritourism initiatives that help support the economy and the sector.

## ACTIONS TO BUILD MARKETS

### ► *Domestic*

13. Work with industry to promote local agrifood and seafood through the buy local initiatives.
  - I. Support industry led e-commerce website opportunities.
  - II. Increase awareness of using B.C. agrifood and seafood products, including pairing with products from local wineries, cideries, distilleries, breweries and meaderies.
  - III. Encourage the use of B.C. inputs in food and beverage processing.
14. Encourage the development and adoption of buy local policies for food retail, food services, and public sector institutions.
15. Support quality certification programs that provide industry with a competitive edge (e.g. implementing the Golden mile wine appellation, regulating the use of the term “organic” when marketing food and beverage products).
16. Support access to retail for local producers and processors, including commercial kitchen space, cold chains and distribution necessities.

### ► *Interprovincial*

17. Break down interprovincial barriers for agrifood and seafood products to allow for greater access to other provincial markets for B.C. products, including direct-to-consumer shipments.
  - I. Seek agreement from all Canadian provinces on direct-to-consumer shipments of wine and craft beer.
  - II. Work with Ministry of International Trade on an interprovincial trade strategy for agriculture.







### ► *International*

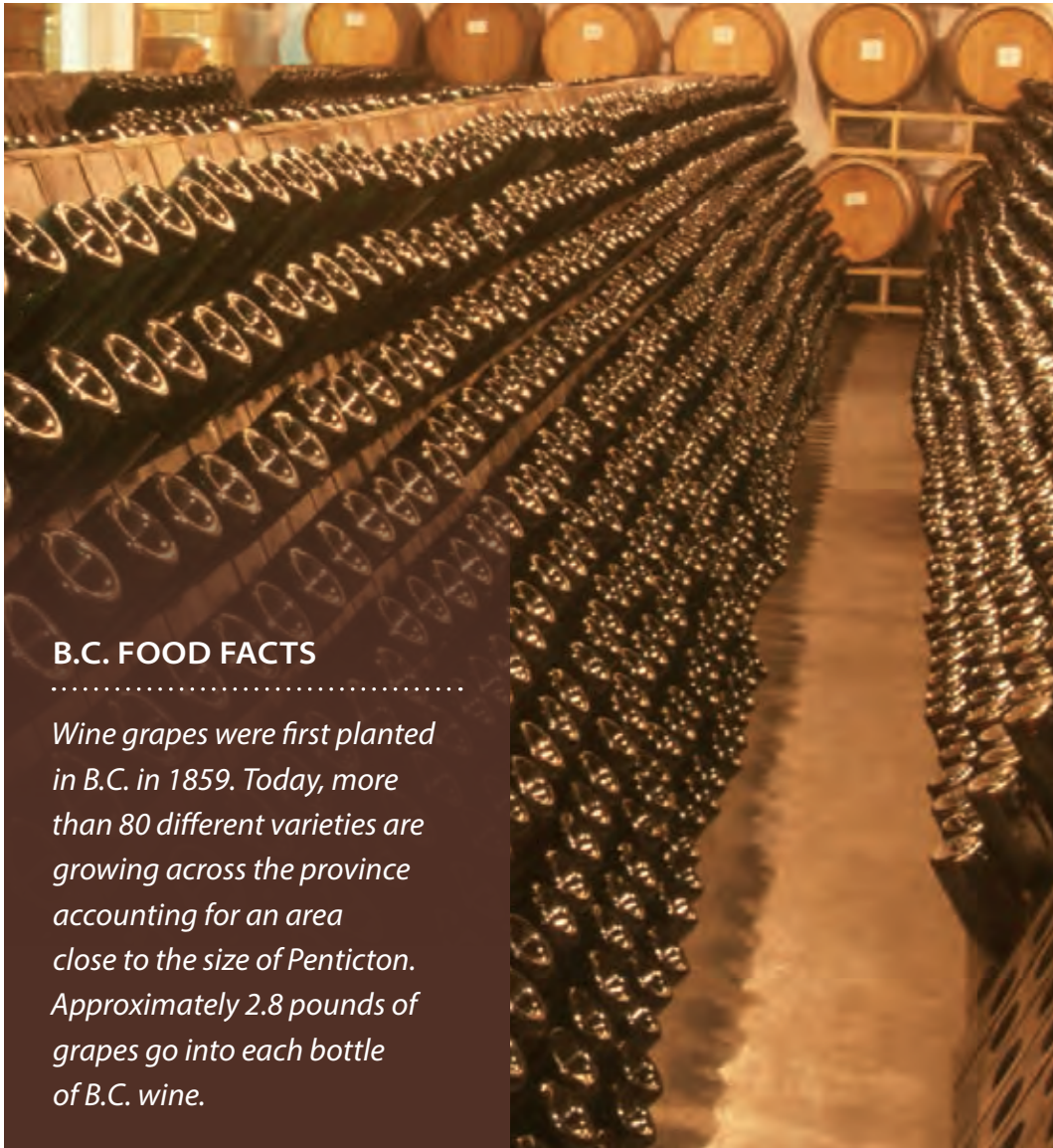
18. Work with industry to create an international strategy that identifies priority markets for agrifood and seafood products. Use this strategy to guide trade negotiating priorities, program and market development efforts such as marketing, training seminars, buying missions, trade missions and tradeshow.
  - I. Provide the agrifood and seafood sector with timely information, market data and market intelligence reports to identify market opportunities for B.C.'s agrifood and seafood sector.
  - II. Participate in two annual government led and industry-supported trade missions to priority markets.
  - III. Develop a *B.C. Agrifood and Seafood Export Ready Business Catalogue*
19. Support agrifood and seafood businesses that implement internationally recognized food safety standards to sustain and expand trade.
  - I. Prioritize and support the production and processing sectors to meet new federal regulatory requirements (*Safe Food for Canadians Act* and regulations).
  - II. Provide education, expertise and incentives to meet recognized food safety standards.
  - III. Implement comprehensive traceability programs for sectors with a demonstrated need.
20. Work with federal partners, the supply-managed sector and the regulated marketing sector to optimize opportunities for growth in the context of emerging trade agreements. Focus on business strategies for expansion, including investigation of potential markets, assessment of barriers and pilot initiatives.



## A WIN FOR WINE

*IN 2014, THE B.C. WINE INSTITUTE* identified the U.S. West Coast as a target market. After a year of planning, the Institute partnered with WholeFoods Market to release B.C. VQA wines from

eight small and medium-sized wineries to a brand new channel of distribution in the US: 15 WholeFoods Markets across the states of Washington and Oregon.



### B.C. FOOD FACTS

*Wine grapes were first planted in B.C. in 1859. Today, more than 80 different varieties are growing across the province accounting for an area close to the size of Penticton. Approximately 2.8 pounds of grapes go into each bottle of B.C. wine.*

## BORN IN B.C.

### *IN 2013, SUMMERLAND VARIETIES*

Corporation, with support from B.C.'s Buy Local Program, launched the "Born in BC. Raised in the Okanagan" campaign to educate consumers and promote sales of two new B.C. apple varieties: Salish™ and Aurora Golden Gala™.

By the end of the season, these new B.C. apple varieties were successfully introduced to the four largest food retail chains and the entire crop was sold out! The next step is expanding the successful "Born in BC" branding to promote other B.C. products such as cherries and raspberries.



## CONCLUSION

*OUR 2012 AGRIFOODS STRATEGY* set out to reach \$14 billion in annual sector revenues by 2017. The strategy identified 49 actions to pursue this goal. We now have completed all but two of the strategy's actions (which have been rolled into this *Strategic Growth Plan*) and are on track to achieving its goal.

This *Strategic Growth Plan* builds on that success, with 20 actions and a new, ambitious target of \$15 billion in annual agrifood and seafood sector revenues by 2020. The benefits of the sector's growth

will extend widely, as agrifood and seafood is a critical part of a larger value chain that includes wholesalers, distributors, exporters, retailers, food service suppliers and restaurants. In reaching our goal, we will contribute to creating jobs in every B.C. community and a stronger provincial economy.

The B.C. Government's vision for our agrifood and seafood sector is for it to be an innovative, adaptive and globally competitive sector valued by all British Columbians. Government wishes to

engage British Columbians in a long term conversation about how to further address these challenges, including the security of our food supply. Many groups are working hard on these issues, including other governments, community groups and industry. Working together, we will ensure growth takes place within a secure and sustainable sector. To begin this conversation and engage the broader industry and public, the Ministry of Agriculture and the Minister's Agrifood Advisory Committee will convene an agrifood and seafood conference in 2016.



## SUMMARY OF ACTIONS

### ACTIONS TO INCREASE PRODUCTION

1. Identify options for increasing and intensifying production on unused or underutilized land.
2. Implement *B.C.'s Seafood Strategy* (see page [19](#)).
3. Participate in and support labour market initiatives:
  - I. Promote the sector's interests and encourage industry to leverage labour partnerships, labour training, youth employment, seasonal agriculture workers and temporary foreign worker programs.
  - II. Identify and implement opportunities to support the success of new entrants, youth, and First Nations in the agrifood and seafood sector, including succession planning.
4. Encourage and enable industry to identify, reduce, and manage risk to enable production and improve access to capital:
  - I. Proactively identify sector-level risks and promote the development and implementation of plans and activities to mitigate these risks.
  - II. Increase the effectiveness of existing Business Risk Management programming by adapting quickly to new and emerging crops and cropping techniques.
  - III. Encourage and enable industry to develop their own specific risk management products to meet specific needs.
  - IV. Improve the risk management of wildlife that has a negative economic impact on agriculture by:
    - i. Reducing problem predators;
    - ii. Reducing the habituation of elk populations; and
    - iii. Targeting mitigation funding at severe, chronic losses.
5. Implement changes to the *Agricultural Land Commission* and ensure the Agricultural Land Reserve is working for British Columbia (see page [23](#)).

6. Encourage the creation and implementation of a forage plan to increase the quality and quantity of forage for regional and export markets.

### ACTIONS TO DRIVE COMPETITIVENESS

7. Promote the maximization of commercialization opportunities based on market demand, research capacity and industry capability.
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#### ► Interprovincial

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- I. Seek agreement from all Canadian provinces on direct-to-consumer shipments of wine and craft beer.

- II. Work with Ministry of International Trade on an interprovincial trade strategy for agriculture.

#### ► International

18. Work with industry to create an international strategy that identifies priority markets for agrifood and seafood products. Use this strategy to guide program and market development efforts such as marketing, training seminars, buying missions, trade missions and tradeshow.
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  - III. Implement comprehensive traceability programs for sectors with a demonstrated need.
20. Work with federal partners, the supply-managed sector and the regulated marketing sector to optimize opportunities for growth in the context of emerging trade agreements. Focus on business strategies for expansion, including investigation of potential markets, assessment of barriers and pilot initiatives.







Ministry of  
Agriculture

