

# NORTHERN DISPATCH

15 OCT 2019

THE STATE OF AGRICULTURE IN NORTHERN B.C.

## THE STATE OF AGRICULTURE IN NORTHERN B.C.

It's fall in Northern B.C. The harvest. Time for Thanksgiving, Hallowe'en, agonizingly long line ups for winter tires and a plethora (maybe too many) of pumpkin-flavoured goodies. So, we figured it might be the right time of year to look at the biggest small sector in the north – agriculture. It also just so happens to be one of the few sectors in the north right now with a rather promising long-term outlook.

Now, why do we say biggest small sector? Well, we'll get to the numbers in a moment – but here's a couple to chew on so that you know what we mean. First, agriculture accounts for only 0.8 per cent of the provincial total GDP, and Northern B.C. accounts for only 20 per cent of the province's total farms. As well, most agriculture businesses in Northern B.C. don't have employees, suggesting they're small, family run operations. So, overall, the sector in Northern B.C. isn't as big as some of our other traditional sectors such as mining, forestry and energy.

That said, you can't go anywhere in the north without running into a farm or farmer. A drive along Highway 16 or 97 reveals a landscape littered with farmland, with special concentrations in the Lakes District, Bulkley Valley, Nechako Valley, South Cariboo and the Peace. In places such as the Robson Valley, agriculture is a mainstay industry. The same can be said of ranching in the Chilcotin.



**Joel McKay**

CEO

Northern  
Development  
Initiative Trust

And, if you're in the Peace country, agriculture is big business. Even Haida Gwaii has a bustling little agriculture community in Tlell. Nearly every town in the north has a fall exhibition, rodeo or harvest festival. Nearly every community has an active 4-H club. And many of the same folks who farm, in the off season, also work to support the oil and gas sectors, forestry and other integral sectors to the northern economy.

## **SO WHILE AGRICULTURE DOESN'T HAVE A MAJOR IMPACT ON PROVINCIAL GDP, FROM A NORTHERN PERSPECTIVE, WE THINK IT'S PRETTY DARN IMPORTANT.**

When you factor in the potential impacts and opportunities that climate change creates for the sector, growing public interest in locally-grown or raised food products, food security issues and the potential for process and productivity innovation, we think agriculture in Northern B.C. has significant upside potential in the coming years. That's why, more recently, we've spent time with grain farmers, ranchers, and service and supply companies to understand the trends, issues and opportunities for investment in this sector. We've also found a few projects to invest in along the way as well, including a Haskap farm outside Chetwynd, an Indigenous plant nursery in West Moberly and pasture rejuvenation efforts in the Cariboo.

For this issue of Northern Dispatch, we've brought in a few industry experts to help highlight some of the issues in agriculture as it stands today. Both Cam Dahl, President of Cereals Canada and Debbie Evans, agriculture coordinator for Regional District of Bulkley-Nechako (RDBN) have contributed. In addition, we have highlighted the success of the Applied Sustainable Ranching Program at Thompson River's University and outlined the recently launched BC Hydro Peace Agricultural Compensation Fund and what it means for the Peace Region.

## **WE HOPE YOU ENJOY THIS LATEST ISSUE OF NORTHERN DISPATCH.**



## AGRICULTURE: BY THE NUMBERS

By Joel McKay  
With research from MNP

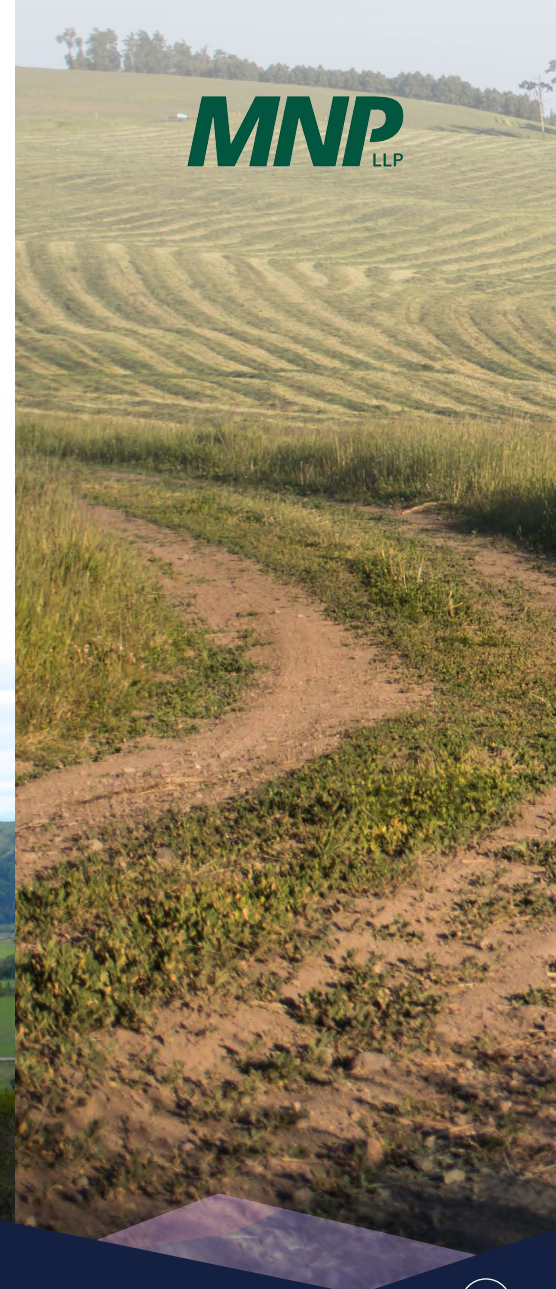
So what are the facts and figures regarding agriculture in Northern B.C.? Well, according to our most recent State of North Economic Report, published in partnership with MNP, there are approximately 1,900 farms producing livestock and 1,734 farms engaged in crop production in the region. According to the 2016 Census of Agriculture, there are approximately 17,258 farms in British Columbia, down 11 per cent from 2011 and almost double the decline nationally. Northern B.C. accounts for approximately 20 per cent of the total farms in B.C., and since 2011 the number of farms in our region has declined, indicating consolidation of operations.

Most crop production in B.C. occurs in the Northeast, accounting for more than 80 per cent of the total grain and oilseed production in B.C. The largest area for livestock production in the north is the Cariboo-Chilcotin/Lillooet area, where there exists large scale cattle production, as well as hog, sheep, poultry and alpaca farming. The Northeast also products cattle, hogs, bison and other game.

Agriculture accounts for a relatively small share of overall employment in Northern B.C., less than one per cent, but the industry accounts for a great deal of land activity and supports many related businesses and sectors, including equipment retailers and manufacturers, gravel, peat and feed suppliers.



**Joel McKay**  
CEO  
Northern  
Development  
Initiative Trust



**THE SECTOR REMAINS FAMILY-FOCUSED, WITH MOST AGRICULTURE-BASED BUSINESSES NOT RECORDING ANY EMPLOYEES DURING THE LAST CENSUS, SUGGESTING THAT OPERATORS RELY ON FAMILY MEMBERS OR CONTRACT WORKERS.**

Agriculture remains a relatively small but important economic player on a provincial scale. More than 40 per cent of farms in B.C. had less than \$10,000 in annual receipts, and two-fifths of those farmers reported selling food products directly to consumers. This suggests that, due to the unique characteristics of small farms in B.C., many farms rely on off-farm work and farmers in B.C. also rely heavily on direct marketing.

That said, agriculture still employs a lot of people in B.C., nearly 45,000 according to census data from 2015. B.C. also has the highest proportion of female farms operators in Canada, totaling 25,430. But, like all jurisdictions in Canada, farmers are aging. Fifty-nine per cent of farmers in B.C. are 55 years or older, up from 54 per cent in 2011. The good news is that there are more younger farmers entering the market as well. In 2016, seven per cent of farmers were under 35 years of age, up from 5.4 per cent in 2011.



## BC HYDRO PEACE AGRICULTURAL COMPENSATION FUND

In order to address the potential effects of the Site C project on the agriculture industry in the Peace Region, BC Hydro established a \$20 million fund to support agricultural production and related economic activity.

Northern Development Initiative Trust was named the financial administrator of the BC Hydro Peace Agricultural Compensation Fund (PACF) in September of 2018. BC Hydro, in partnership with the Trust, invested the \$20 million with the overall goal of preserving the initial funds and allocating investment returns for the first five years.

The BC Hydro Peace Agricultural Compensation Fund is governed by a regional decision-making board, responsible for overseeing the management and disbursement of the fund. This 10-member board is comprised of six appointees of regional agricultural associations or the Peace River Regional District (PRRD), three members-at-large, and one member who is a Peace River Valley agricultural producer.

### THE INITIAL INTAKE WAS ANNOUNCED ON AUGUST 6, 2019 WITH AN ALLOCATION OF \$250,000.

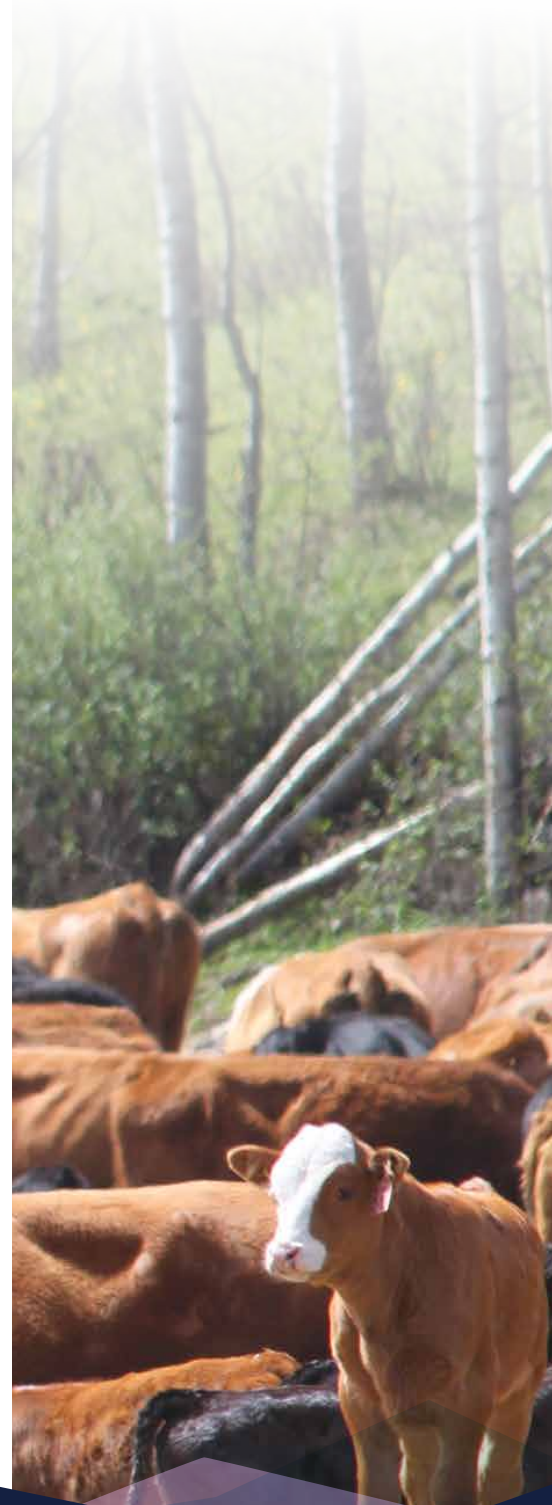
#### THE FUND IS OPEN TO:

- **Corporations, cooperatives, individuals and/or partnerships active in agriculture in the Peace Region (including new agricultural industry entrants and young agricultural operators)**
- **Registered non-profit agricultural organizations in the Peace Region**
- **Peace Region industry associations, agencies, boards and councils**
- **Education institutions undertaking research directly related to the Peace Region**

When the intake closed on September 30, 2019, Northern Development had received 22 applications from various individuals and organizations from across the Peace Region.

Northern Development will present the applications to the board with final funding decisions to be announced in mid-December 2019.

For more information, please visit <https://www.northerndevlopment.bc.ca/funding-programs/partner-programs/bhydro-agricultural-fund/>.





**Cam Dahl**  
President of  
Cereals Canada

# PEACE REGION GRAIN PRODUCERS HAVE INTERNATIONAL FOCUS

By Cam Dahl

Agriculture is a driver of the Canadian economy, including the economy of the B.C. Peace region. Agriculture and Agri-Food give more jobs to Canadians than the auto and aerospace industries combined. These jobs, and the economic health of much of Northern B.C., depend upon getting commodities to international markets. This can be a daunting task, for wheat alone we export to over eighty countries each year.

B.C. grain farmers are represented on the international stage by Cereals Canada, an organization that includes representation from farmers across the country, exporters and processors as well as crop development companies. This collaboration gives Peace region farmers a lot more clout versus trying to combat trade barriers on their own.

Much of agriculture's economic growth has been fueled by increased trading opportunities. That growth has spawned investment in Canadian infrastructure. Opportunity and growth in agriculture has led to new processing in our rural communities. A growing agricultural economy has generated new jobs in every region of Canada. All this is under threat from protectionist policies.

What is the economic impact of growing world protectionism? Italy was once the largest market for Canadian durum wheat. But Italy has adopted protectionist country of origin labelling requirements that have reduced our durum exports drastically. This has happened after the agricultural provisions of the Comprehensive Economic Trade Agreement with Europe were negotiated. India was once our leading export market for pulse crops like lentils and peas. Non-tariff and tariff trade barriers have slashed these export opportunities. China, a market that has taken over four million metric tonnes of canola over the last several years, has effectively closed its doors to Canadian canola. Tenders for barley purchases from Saudi Arabia continue to specify any origin but Canada. Phytosanitary issues with Peru threaten over one million tonnes of wheat exports. Vietnamese concerns over weed seeds have closed that market, despite Vietnam being a partner in the Comprehensive and Progressive Trans-Pacific Partnership. The world has changed, and we need to adjust our trade policies to counter these threats.

We need to do more than sign trade agreements; we need to place a priority on making sure trade agreements actually work. Canada has been reluctant to call out our trading partners for their protectionist policies. For example, the value chain continues to call for a World Trade Organization (WTO) challenge of Italy's country of origin labelling provisions.

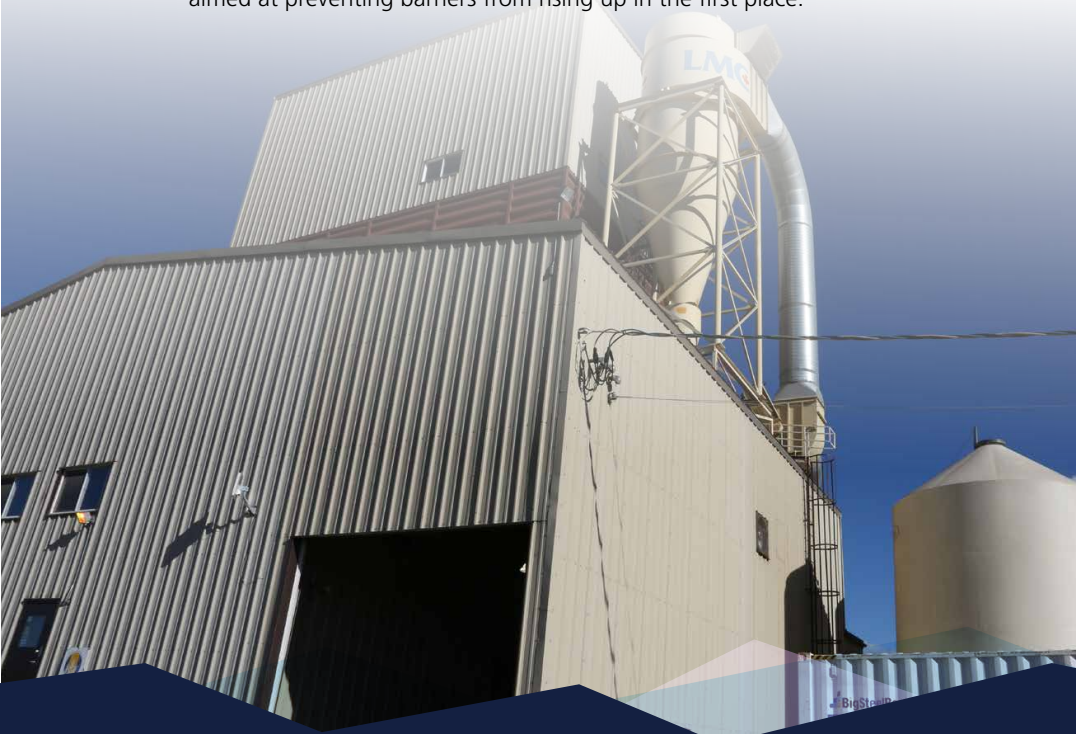
We also need political parties to articulate clear policies that will facilitate market diversification. This does not mean that governments should plan to hire a sales force to sell wheat or lentils or canola. Marketing is the job of industry and exporters. Government's job is to create an international regulatory environment that will minimize commercial risks.

Government needs to develop a comprehensive approach to mitigating potential non-tariff trade barriers before they arise. This will require a significant policy pivot. Unlike some of our trading partners (e.g., U.S.) Canada does not have a systematic approach to building the science-based regulatory capacity of our trading partners. This is not currently part of the mandate of government departments or agencies. This needs to change. This is especially true as our marketing efforts continue to diversify exports into countries with less-developed regulatory systems (e.g., Nigeria, Bangladesh).

We have entered a new age of protectionism. A new barrier to agriculture trade is brewing someplace in the world. I don't know where, I don't know what commodity will be hit next time, but in our current environment I am sure it is coming. When new barriers arise, Canada needs to be ready to quickly and actively respond using the dispute resolution tools we currently have available. We also need to see governments and industry cooperatively engage in capacity building, regulatory exchanges and other proactive trade facilitative measures aimed at preventing barriers from rising up in the first place.



## Cereals Canada



# GROWING

## THE NEXT GENERATION OF RANCHERS

In the Cariboo, Thompson Rivers University's Williams Lake Campus is delivering an innovative, two-year program to regional and international students. The Applied Sustainable Ranching Program is the first program of its kind in B.C. By equipping students with the knowledge and experience necessary to build, grow and sustain agriculture and ranching operations, the program is supporting and growing the agricultural industry in B.C. and beyond.

"The Cariboo is really proud of this program," said Gillian Watt, director of Applied Sustainable Ranching at Thompson Rivers University. "They're seeing people come from all over the world to learn and work in the region. Currently, the agriculture industry, in particular the ranching industry, is really short on skilled labour. We're providing ranchers and farmers with students and graduates that have hands-on skills and practical academic knowledge."

Requiring the students to live on a ranch or farm during their studies is a unique aspect of the course that has proven to be exceptionally beneficial during the four years the program has been offered in Williams Lake. Participating in the day-to-day operations of a farm or ranch during their studies provides students with practical learning of operational tasks and responsibilities that may not be taught through coursework.

**"THIS IS VERY MUCH A COMMUNITY-DRIVEN PROGRAM," WATT SAID. "SO MANY PEOPLE COME TOGETHER, SUCH AS OUR HOST RANCHES AND FIELD TRIP SPONSORS. WE DO A LOT OF FIELD TRIPS, FROM QUESNEL TO VAVENBY, AND PEOPLE OPEN THEIR DOORS TO US AND GIVE THEIR DAY TO US. THE CARIBOO IS SUCH A GREAT COMMUNITY, IT'S JUST WONDERFUL."**

To complete the program, students must pass nine unique courses with topics ranging from sustainable business enterprise, where students build a sustainable business strategy for their ranch; and environmentally sustainable ranching, where students learn the logic behind sustainable management techniques and create grazing management plans that take into consideration the land's biodiversity; to beef production, where skills are learned and practiced regarding beef nutrition, processing, pricing and more; to soft adventure and agri-tourism, where students learn about the tourism industry and how they can market their ranch to interested travelers.

In 2017, Northern Development committed \$60,032 through the Economic Diversification Infrastructure program to support the development of second year curriculum and for program promotion and recruiting. The investment is paying off and Watt says 60 to 70 per cent of students are from outside the Cariboo and include people from other provinces, including Saskatchewan, and other countries. Attracting pupils from diverse places with unique experiences benefits the entire cohort as they can learn about practices and experiences from outside the Cariboo.





**Debbie Evans**  
Agriculture  
Coordinator,  
Regional District of  
Bulkley-Nechako



# AGRICULTURE SUPPORT IN THE REGIONAL DISTRICT OF BULKLEY-NECHAKO

By Debbie Evans

Agriculture in the Regional District of Bulkley-Nechako is a strong sector of the economy and continues to be an area of opportunity. The 2016 Census of Agriculture for the region had over 1,500 people employed in agriculture with gross farm receipts exceeding \$63 million annually.

In 2016, the Regional District of Bulkley-Nechako (RDBN) hosted an agriculture forum and identified a need for an agriculture coordinator position. A two-year pilot project was brought to fruition through a partnership between Northern Development Initiative Trust and the RDBN. As a result, I joined the RDBN in November 2017 in the full-time position of agriculture coordinator. The pilot project is reaping many benefits and in August 2019, a one-year extension was approved by Northern Development. Now, the pilot project will continue planting seeds for success through October 2020.

The agriculture coordinator role prioritizes building relationships with agriculture stakeholders, producers, all levels of government and other agriculture support services. We also work with agriculture groups to leverage opportunities for their specific commodity groups or producer associations. We lead a variety of relevant workshops for the region, including a beef producer strategy workshop in March 2018, SheepFest in March 2019 and livestock emergency preparedness workshops in 2018 and 2019.

We strive to be active in communities through participation at association and other organization events. We supported Stuart Nechako Community Futures's two-day workshop on hops, craft brewing and malting barley by leading an hour-long presentation titled "The Many Ways to Craft a Brew".

Looking to the future, we are currently working on the 2020 RDBN Agriculture Forum, to be held in February 2020. Continuing to leverage opportunities to share best practices and address opportunities for improvement in agriculture remains a focus. We're in the process of planning workshops for 2020 to share with those in the beef industry with varied topics, one of which will be pests, grasshoppers and cutworms. Marketing has been identified as a crucial producer tool that needs to be addressed. In response to this need we are planning a one- or two-day marketing workshop in 2020.

We intentionally work with others to share knowledge and work collaboratively toward solutions. One way we do this is by being an active member of a two-year working group for the Bulkley-Nechako and Fraser-Fort George BC Agriculture and Climate Change Regional Adaptation Strategies. As of August 2019, the project has now moved into the phase of identified projects and supporting up to six projects running until 2023.

A food and agriculture plan is a strategic planning document that will help to develop a shared vision for food and agriculture amongst farmers, the public, and local governments within the regional district. With this in mind, we are currently working on updating the 2012 RDBN Agriculture Plan. This document outlines goals, objectives and actions for achieving the shared vision. Upon completion, the agriculture plan will be approved by our board of directors. It will become a frequently referenced guide for planning future activities affecting agriculture over the next five to seven years. The update is expected to be approved in March 2020. To ensure awareness of the plan, a marketing plan will be developed.

The distribution of agriculture information is assisted with the agriculture department pages on the RDBN website. The site is intended to be an information “go-to” site for producers and potential new farmers in the region. The site is [www.rdbn.bc.ca/departments/agriculture](http://www.rdbn.bc.ca/departments/agriculture) and it is updated at least monthly.

Another duty fulfilled by the agriculture coordinator is to provide livestock during emergency events in the district. During the 2018 wildfire season more than four months were invested in livestock support to producers during and after the wildfire event. This effort received funding from Emergency Management BC.

The agriculture coordinator reports to RDBN’s CAO and the RDBN Agriculture Committee Chairperson. This position assists in the preparation of meetings and prepares written responses as identified by the committee. They also regularly update the committee on regional, provincial, national or world agriculture news. Internal collaboration is valued, and they work with other departments of the RDBN such as planning with agriculture land reserve applications, economic development on our Connecting Consumer & Producers Guide and other initiatives within the organization.

**RDBN’S MOTTO IS “A WORLD OF OPPORTUNITIES WITHIN OUR REGION” AND THERE ARE MANY OPPORTUNITIES TO SUPPORT AND EXPAND AGRICULTURE WITHIN THE RDBN.**



# NORTHERN DEVELOPMENT – SUPPORTING INNOVATION IN AGRICULTURE

**PROJECT:** Kitselas Geothermal Community Greenhouse

**PARTNER:** Kitselas First Nation

**TRUST INVESTMENT:** \$211,000

**TOTAL PROJECT INVESTMENT:** \$559,500

**SUMMARY:** Still in progress, this project involves the construction of a new greenhouse for the Kitselas Nation and its first planting. The greenhouse will diversify the local food supply and produce additional sources of revenue for the community using sustainable methods.

**PROJECT:** Peace Haskap Agriculture Planting Pilot

**PARTNER:** Peace Haskap Society

**TRUST INVESTMENT:** \$141,132

**TOTAL PROJECT INVESTMENT:** \$405,479

**SUMMARY:** This project supports the Peace Haskap Society as they participate in a multi-partner collaboration to study the viability of Haskap growth in formerly untested areas. This study informed local growers that it is possible to diversify their crops using relatively little land.

**PROJECT:** Quesnel Farmers' Market Site Improvements

**PARTNER:** Quesnel Community & Economic Development Corporation

**TRUST INVESTMENT:** \$36,000

**TOTAL PROJECT INVESTMENT:** \$188,000

**SUMMARY:** This project has improved the Farmers' Market venue in Quesnel. Attendance from both vendors as well as shoppers has grown and increased revenues for participating businesses. As a result, there are additional seasonal jobs and quality, nutritional food available to those in the area.



**PROJECT: Research and Teaching Greenhouse**

**PARTNER: College of New Caledonia (Prince George)**

**TRUST INVESTMENT: \$133,205**

**TOTAL PROJECT INVESTMENT: \$190,293**

**SUMMARY:** This project established a greenhouse at the CNC Prince George campus in 2017. Used by the college, public and local producers, the greenhouse serves as a space to research, develop and showcase emerging agriculture technologies.

**PROJECT: Demonstrating Innovative Pasture Rejuvenation Practices**

**PARTNER: British Columbia Forage Council**

**TRUST INVESTMENT: \$50,000**

**TOTAL PROJECT INVESTMENT: \$108,080**

**SUMMARY:** Still in progress, this project will demonstrate innovative management practices that assist in pasture and forage field rejuvenation. These practices improve soil nutrient cycling, carbon-sequestration and water drainage while helping mitigate negative weather-related impacts such as flooding and drought.

**PROJECT: Website development**

**PARTNER: Twin Sisters Native Plants Nursery**

**TRUST INVESTMENT: \$2,958**

**TOTAL PROJECT INVESTMENT: \$5,915**

**SUMMARY:** This project built a website and refined the nursery's brand. The new website and clearly identifiable brand have helped sales grow at a rate that was not predicted in the original business plan. Their web presence was also instrumental in the business winning the prestigious BC Aboriginal Business Partnership of the Year award in 2017.

Since 2005, the Trust has invested \$3.9 million into projects that have strengthened the agriculture industry in Northern B.C. Total project value \$10.6 million in 48 projects.





## ABOUT NORTHERN DISPATCH

As Northern B.C.'s leader in economic development we at Northern Development feel that it's crucial to understand the data behind the decisions that affect the communities we serve. Earlier this year, the State of the North Economic Report revealed that although Northern B.C.'s economy remains largely reliant on the natural resource sector, it's also incredibly complex, nuanced and ever shifting. For that reason, we've created the **'Northern Dispatch'** – short reports that delve into portions of the State of the North in greater detail, adding commentary and context on specific sectors or subjects... and maybe a little mythbusting too.



Our hope is that the Northern Dispatch will provide value to communities, business leaders and stakeholders who share our passion for Northern B.C. We plan to issue two of them this year, each one focusing on a different topic pulled from the State of the North. Here's hoping you have as much fun reading them as we did writing them.



[NORTHERNDEVELOPMENT.BC.CA/NORTHERN-DISPATCH](http://NORTHERNDEVELOPMENT.BC.CA/NORTHERN-DISPATCH)

[NORTHERNDEVELOPMENT.BC.CA/STATE-OF-THE-NORTH](http://NORTHERNDEVELOPMENT.BC.CA/STATE-OF-THE-NORTH)

