



Annual Report April 1, 2017 - March 31, 2018

To

The Minister of Agriculture for British Columbia
Pursuant to the requirements of the Farming and Fisheries Development Act
and Regulations

Council Members 2017-2018

Willy Rath, Chair

Irmgard Critcher, Vice Chair

Barry Follensbee

Martin Odermatt

Rick Kantz (resigned)

Council Objectives

The Council's goal is to enhance the grain industry in the BC Peace River region. As such, the Council is responsive to the initiatives of producers and producer associations and supports development initiatives that would result in increased opportunities for the BC grain industry.

Funding Program

The Council has established a funding program, using levy funds collected, to support projects which enhance and promote the BC grain industry. Assistance under the Program is open to all producer associations, private individuals, companies, industrial, private and public institutions, and Canadian universities which undertake projects consistent with program objectives as specified below.

All applications should be forwarded electronically directly to the British Columbia Peace River Grain Industry Development Council, at email address gfdc@bcpeace.com. Printed copies may be sent to Box 144 Station Main, Dawson Creek, BC V1G 4G3 for evaluation. The deadline to submit funding applications is December 15th.

Grains, oilseed and pulse levies are redistributed into projects that meet the following objectives:

1. Benefit / Promote /Enhance the viability of the field crop industry as a whole or for commodities, in the BC Peace River Region.

2. Conduct or Support Research or Educational Programs in respect of the development and promotion of the BC industry and commodities.

Areas in which there is funding potential include infrastructure support, research, market development, technology transfer and promotion as described in Figure 1.



Figure 1 Areas of potential grain, oilseed and pulse crop levies funding

Council History

In 1989 the Minister of Agriculture and Fisheries introduced Bill 44, the “Farming and Fisheries Industries Development Act” which was passed by the BC Legislature. Under this legislation, the “Grain Industry Development Fund Regulation” was passed by an Order of the Lieutenant Governor in Council July 26, 1990. The Act provided for the establishment of an industry commodity council whose mandate is to set and collect a levy and to fund field crop enhancement. The levy is legally enforceable, and penalties are provided for those who do not comply.

Initially, the council members were appointed by the Minister. Pursuant to Bill 52, the Minister of Agriculture Fisheries and Food approved the election of producer representatives to the British Columbia Peace River Grain Industry Development Council. Accordingly, the Council held a referendum and won the right to have elected members. The Council is composed of farmer representatives from the North and South Peace, along with a representative from the B.C. Ministry of Agriculture and Lands and previously, a representative from Agriculture and Agri-Food Canada.

GIDC Levies

The grain, oilseed and pulse levy is the original levy, whereby GIDC is to administer collection of the levy and evaluate proposals for funding. Council considers projects that foster and promote the field crops industry as outlined above.

As of August 1, 2017, GIDC is administering the new British Columbia Wheat levy and the British Columbia Barley levy. These levies have industry support as shown by the results of a producer plebiscite conducted in 2016. The new provincial levies were initiated in response to the termination of the Western Wheat and Barley Check-off. GIDC’s role is to re-invest these levies in programs that develop the wheat and barley industries.



It is Council policy to maintain one year's levy collected in reserve prior to allocation. The Council collects a levy of 0.33% of the gross amount payable on all grain, oilseeds and pulse crops grown in the BC Peace River Regional District when it is delivered. The BC Wheat Levy rate is an additional \$0.48/tonne on wheat. The BC Barley Levy is an additional \$0.56/tonne on barley. Given Council's policy above, no wheat and barley levies were collected in 2016, therefore no disbursements of levy were made in the 2017-18 fiscal year. Producers contributing to the BC Peace River Grain Industry Development Council have an opportunity to apply for a refund of the previous year's contribution by January 31. Refund request forms are available from the Council.

Peace Region Forage Seed Levy

At the request of the Peace Region Forage Seed Association, Council prepared a request to the BC Ministry of Agriculture, Food and Fisheries to set the rate of Levy on Forage and Turf Seeds at 0.75% of the gross amount payable by the first receiver. In April 2004 this request was officially approved by Order in Council and the Levy was collected beginning July 1, 2004. A report on the Forage Seed Levy, together with Audited Financial Statements, is attached to this report.

PROJECTS FUNDED FROM 2016 GRAIN, OILSEED & PULSE LEVY

Total \$ 302,637

Projects Sponsored by the BC Grain Producers Association (BCGPA)

| 2016-04 | 2016 Year 2 Grain Development and Regional Trials | | |
|------------------|--|-----------------|---------------------------|
| | Project Budget | Levy Allocation | Project Levy Contribution |
| | \$ 737,000 | \$ 188,800 | 8 % |
| Objective | The Grain, Oilseed & Pulse Breeding and Variety Trials project consisted of a total of just over 4,200 treatment plots over two planting seasons. This was completed in part by working closely with the Regional Variety Trial program through Alberta Agriculture, as well as other co-operative projects across the prairies. This project focused on monitoring short season growing conditions and comparing new varieties of the five most popular crops grown in the Peace Region. In addition to monitoring and comparing new varieties of already established crops, the project attempted to introduce alternate crops for rotation purposes; most notably peas. | | |
| Status | Completed under budget at \$ 158,189 GIDC funding | | |

| 2017-01 | 2017 Director's Meeting Remuneration | | |
|------------------|---|-----------------|---------------------------|
| | Project Budget | Levy Allocation | Project Levy Contribution |
| | \$ 11,562 | \$ 11,562 | 100 % |
| Objective | The objective of this project is to provide remuneration to the directors for the travel costs and the time they are away from their farms and businesses attending BCGPA Director's meetings in order to attract and retain directors. | | |
| Status | Completed under budget at \$ 7,399 GIDC funding | | |

| 2017-02 | 2017 Director's Support | | |
|------------------|--|-----------------|---------------------------|
| | Project Budget | Levy Allocation | Project Levy Contribution |
| | \$ 26,500 | \$ 26,500 | 100 % |
| Objective | The objective of this project is to provide support staff to the BCGPA directors to relieve them of the day to day operations of the organization. | | |
| Status | Completed under budget at \$ 9,150 GIDC Funding | | |



| 2017-03 | 2017 Information Seminars | | |
|------------------|--|-----------------------------|-----------------------------------|
| | Project Budget \$ 14,000 | Levy Allocation \$ 7,000 | Project Levy Contribution 50 % |
| Objective | This project provided an avenue for industry, government and grain and oilseed producers to share information and networking. It is important to all levels of grain and oilseed production for local producers to be aware of programs, changing farm policies, advancing production methods and current research opportunities and results. These seminars provided an interactive atmosphere for local producers to discuss the presented information immediately with the presenters directly. | | |
| Status | Completed under budget at \$ 6,264 GIDC Funding | | |

| 2017-04 | 2017 Membership Fees | | |
|------------------|--|------------------------------|------------------------------------|
| | Project Budget \$ 22,800 | Levy Allocation \$ 22,800 | Project Levy Contribution 100 % |
| Objective | The objective of this project is to ensure the BCGPA has adequate representation on grain and oilseed committees at both a provincial and national level. The BC Grain Producers Association obtained memberships in the following organizations: BC Agriculture Council, Grain Growers of Canada, Cereals Canada, Canola Growers Association and the local Fort St John Chamber of Commerce. By having a strong presence within these organizations, the BCGPA is able to help influence policy development in the agriculture sector. Affiliations with these other organizations allow agriculture to present a united front and increase impact and success when fighting for policy change in the government arena. | | |
| Status | Completed under budget at \$ 16,350 GIDC Funding | | |

| 2017-05 | Research Meeting Remuneration | | |
|------------------|---|------------------------------|------------------------------------|
| | Project Budget \$ 10,975 | Levy Allocation \$ 10,975 | Project Levy Contribution 100 % |
| Objective | The <i>2017 Research Meeting Remuneration</i> project was applied for to remunerate members of the research committee for time and travel costs incurred while they are away from their farms. The research committee was disbanded in 2017 and as such, none of this funding was used for the project and it will all be returned. | | |
| Status | Project cancelled and funds returned | | |

| 2017-06 | Pan Agriculture in the North | | |
|------------------|--|------------------------------|-----------------------------------|
| | Project Budget \$ 100,000 | Levy Allocation \$ 25,000 | Project Levy Contribution 25 % |
| Objective | The Pan-Agriculture in the North (PAIN) project was instrumental in ensuring that agricultural producers in the Peace Region had an opportunity to make a difference at the regional, provincial and federal levels. This includes all 336 members of the BC Grain Producers Association (BCGPA), as well as members of other agricultural organizations in our area. Board members and staff of the BC Grain Producers Association were able to represent regional agriculture at various meetings and events held throughout the year. | | |
| Status | Completed under budget at \$ 24,396 GIDC funding | | |



Ongoing Levy Projects

| 2016-02 | Professional Fees for Investment Structure | South Peace Grain Cleaning Co-operative |
|-----------------------------|--|---|
| Project Budget \$ 26,845 | Levy Allocation \$ 10,000 | Project Levy Contribution 37 % |
| Objective | To set up a new, or expand on the existing, investment share structure for the membership to invest in and capitalize on the ongoing Rail Project. | |
| Status | 1 year extension to April 18, 2018. Final report pending. | |

| 2016-03 | CN Rail Service Negotiation | South Peace Grain Cleaning Co-operative |
|-----------------------------|---|---|
| Project Budget \$ 39,960 | Levy Allocation \$ 15,000 | Project Levy Contribution 38 % |
| Objective | <ul style="list-style-type: none"> To reach an Agreement for Service with CN. To gain insight into the process of dealing with CN on the whole. | |
| Status | Final report pending | |

Western Grain Transportation Adjustment Fund.

When the Federal Government removed the Western Grain Transportation Assistance Act (Crow Rate) for grain exports, The BC Grain Industry Development Council was allocated these transition funds by Agriculture and Agri-Food Canada to support grain industry development in the BC Peace.

| 2017-16 | Site C AMCP Administrator Application | WGTA |
|-----------------------------|--|-----------------------------------|
| Project Budget \$ 10,000 | Levy Allocation \$10,000 | Project Levy Contribution 100% |
| Objective | The Site C Agriculture Mitigation Compensation Plan Fund Administrator Application project is a Council initiative whereby funds were used to support the proposal preparation processes. Council determined by vote that the opportunity to be the AMCP fund administrator aligned with Council's objectives. As a result, GIDC submitted a competitive bid for the job. Unfortunately, Council was not successful. | |
| Status | Ongoing | |

PROJECTS FUNDED FROM 2016 FORAGE SEED LEVY

Total \$ 21,645

Projects Sponsored by Peace Region Forage Seed Association

The Peace Region Forage Seed Association is a joint BC-Alberta producer and processor organization that undertakes projects to enhance the forage seed industry. The BC Forage Seed Growers provide recommendations to the BC Peace Region Grain Industry Development Council on projects to fund. More detail on these projects is posted at the Association website www.peaceforageseed.ca.



| 2017-13 | Operating and General | |
|------------------|---|---------------------------|
| Project Budget | Levy Allocation | Project Levy Contribution |
| \$ 4,650 | \$ 4,650 | 100 % |
| Objective | The project covers joint membership to the BC Agriculture Council with the BCGPA and a membership to Forage Seed Canada. It also covers Director's meeting expenses and a portion of administrative costs | |
| Status | Completed | |

| 2017-14 | Improving Productivity and Profitability of Forage Land 2017 | |
|------------------|--|---------------------------|
| Project Budget | Levy Allocation | Project Levy Contribution |
| \$ 901 | \$ 901 | 100 % |
| Objective | The project investigates how to increase productivity, profitability and sustainability of the current forage land base. A collaborative project with Peace producers to identify and adopt better management practices. | |
| Status | Completed | |

| 2017-15 | Agri-Innovation | |
|------------------|--|---------------------------|
| Project Budget | Levy Allocation | Project Levy Contribution |
| \$222,800 | \$ 16,094 | 7 % |
| Objective | To continued objective of Agri-Innovation is to fulfill the commitments with Agriculture and Agri-Food Canada for activities being done at Beaverlodge Research Farm. The project comprises 10 activities including: science coordination; evaluating seed yield of various crops; seasonal distribution of pests in alfalfa seed; population improvements of native and locally adapted grass and legume species; increasing the quality of grass and legume species; investigating casual agents associated with silvertop in grass seed production in Western Canada; deciphering phenotypic effects of plant growth regulators on grass seed crops; improving resiliency of seed production of turf and forage crop disease; integrated crop management to improve the quality and yield of forage and turf grasses; and finally, knowledge and technology transfer. | |
| Status | This is a five-year project ending in 2018 with the federal government. | |

Peace River Agriculture Development Fund (PRAD)

Since 1997, the Council has been working with all commodity groups in the Peace River Region and the BC Ministry of Agriculture and Food to administer the Peace River Agriculture Development (PRAD) Fund. The PRAD Fund was established in the amount of \$1.2 million in December of 1997. These funds have been used since April 2002 to fund agriculture-related projects as outlined in the Peace River Agriculture Development Fund Annual Report compiled by the BC Peace River Grain Industry Development Council which is responsible for the distribution of the Fund under terms of the Contribution Agreement signed with the Province. The Ministry successfully negotiated with the federal government for matching funds, and the Federal PRAD Fund of \$1.2 million was distributed between April 1998 and March 2002.

The Peace River Agriculture Development Fund Contribution Agreement did not specify a time frame for the use of the funds so the Council has been able to continue to support local initiative for the past 18 years. A federal program noted above did assist for several years which allowed the Provincial funds to be extended considerably. The Council now foresees the expiry of these funds within a few years. A 2017-18 annual report is attached summarizing the projects supported for a total of \$209,230.



Financial Reports

The BC Peace River Grain Industry Development Council engages an accounting firm, Sander Rose Bone Grindle LLP to perform an annual audit review of Council financial affairs. A copy of this review is attached for the fiscal year ended March 31, 2018. The grain and forage levy year is for the calendar 2017 year, so the financial report includes accrual adjustments to reflect the fiscal year. In addition, a copy of the Peace River Forage Seed Levy annual audit review is attached for the Forage Seed Levy. This encompasses both BC and Alberta forage seed levies. The BC portion then forms a part of the Council financial report.

Internet supported Information Sharing

The BC Peace River Grain Industry Development Council maintains a web site at www.bcpeace.com which provides extensive historical information about Council activities as well as applications for current funding. Partner organizations also maintain web sites which include more detail on specific projects which have been supported by funds administered by the Council. These sites include acknowledgment where appropriate of funding provided by the Ministry of Agriculture.

- The BC Grain Producers Association site is www.bcgrain.com.
- The Peace River Forage Association site is www.peaceforage.bc.ca.
- The Peace Region Forage Seed Association site is www.peaceforageseed.ca.

Questions for further information may be sent to gidc@bcpeace.com.

Respectfully submitted,

BC Peace River Grain Industry Development Council

Willy Rath, Chair.