



## **Report Prepared for PRAD and the BC Grain Industry Development Council**

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### **Executive Summary:**

In Emerging Opportunities for Peace Agriculture this past year, the directors of the BC Grain Producer's Association have continued to be involved in and represented the BCGPA and its membership on a number of committees including the Grain Growers of Canada, Canadian Canola Growers Association, Canola Council of Canada, BC Agriculture Council, Agriculture Research and Extension Council of Alberta, Investment Agriculture, Agriculture and Environment Partnership Committee and various local committees. They have represented the interests of the BC Peace Region grain & oilseed producers in matters relating to crop research, environment, wildlife damage to crops, farm business risk management, production insurance, crop market development options, transportation and biosecurity issues.

### **Activities & Accomplishments:**

#### **Objective 1. Member connection and public awareness:**

##### ***Producer to BCGPA***

BCGPA continues to facilitate collaborative communications between the BC Peace region's grain and oilseed producers and the BCGPA. Effort has been made to identify current issues of concern and ensure corrective actions are taken and effective. Action toward completion of items listed in the strategic plan has been ongoing this year for the organization.

##### ***BCGPA to Producer***

The website has been well maintained with bulletins of upcoming events, past meetings, Newsletters, current contact information, including the toll-free number to the BCGPA administrative office. It also has many links to other organizations that the BCGPA is affiliated or has membership with. The website is an effective tool in reaching producers and other organizations.

The quarterly newsletter supplies producers with upcoming events, meeting reports, committee updates and relevant policy update information distributed among our members.

Small meetings in rural communities have been used as networking tool, an avenue for frank communication, and remain a priority for the board to stay in contact with producers to hear their concerns.

### **Public Meetings:**

A Research crop tour and BBQ supper on the Fort St. John site in July was very well attended and provided an opportunity for communication during the supper and beyond.

The day was a beautiful one and once again the format of having 6 stations set up around the plots was a great educational tool. The gathering of quality speakers that included crop breeders, industry professionals and producers encouraged direct communication of the producer's needs to the individuals who can influence the direction of crop breeding and technologies.

The BCGPA assisted in hosting Stage 2 of the Climate Action Initiative through ARDCORP with 2 workshops that were open for all producers. These Workshops were a result of the Stage 1 initiative the past year, with input for practical on farm climate adaptation. The results of the workshops will be distributed early in summer.

## **Objective 2. Research:**

### ***Investigate new production techniques & crop technology advancements***

The BCGPA's research committee has been dedicated to ensuring that the research occurring through their department is relevant, timely, and proactive. 3 members of this group and the research manager and attended the Prairie Grain Development Committee meetings in Saskatoon to monitor and observe the process for variety recommendation for approval for registration.

*WGRF:*

The research committee chair is a director on the board of the Western Grains Research Foundation.

*The Marketing Freedom for Grain Farmers Act* legislation, Bill C-18 includes provisions for a point of sale check-off on wheat and barley for variety research and market development. WGRF will continue collection of the wheat and barley research check-offs in Bill C-18 for another 4 years.

WGRF staff consulted with numerous organizations across western Canada with regards to research issues in the areas of New Crops/New Uses and Agronomy. All of the organizations WGRF met with have been very pleased to have been included in the consultation process and are open to potentially partnering with WGRF on research projects in these areas. WGRF is using the part of the endowment fund with \$15 million of new funding of 100 projects, leveraging it to \$30 million by co-funding Provincial agriculture funding bodies, producer commodity organizations and Growing Forward 2.

Committee members have overseen the management of the variety trials program, made suggestions and ensured that the research team has the equipment and resources needed to extract the most accurate results possible in the ever growing department. A funding application to the Agriculture Investment Fund has been initiated for a 'Return on Investment' report on the benefits the research department has delivered to producers and overall community over the past years.

Research continues to be focused on energy crops, utility wheat, crop adaptation to drought/pests, drought tolerance, frost tolerance and others. Recruitment and education for up and coming young people to get interested in agriculture/education for succession is always on the forefront.

## **Objective 3. Environment:**

### ***Promote Environmental Stewardship:***

Directors of the B.C. Grain Producer's Association and General Manager attended local and provincial meetings dealing with environmental stewardship.

**Carbon Tax:** The carbon tax implemented in BC 3 ½ years ago was intended to reduce the amount of fossil fuel used in order to reduce the release of GHG's.

The tax has added additional cost to the production; transportation and processing of BC produced grains & oilseeds. There is the direct cost of carbon tax on energy and hidden costs like fuel surcharges, higher grain drying rates, increased freight costs on production items as well as rail freight to port (*approx \$1.31 per acre of production annually*), these are all passed on to the producers with no cost recovery.

Increased energy costs due to the carbon tax component puts BC Grain & Oilseed producers at a serious disadvantage to those from the eastern provinces and with other trading partners as the Province of BC is the only jurisdiction in Canada to charge this tax. Also, there are no carbon offsets as in other provinces and no clear alternatives for fuels available.

Irmi and Janet made a submission to the BC Ministry of Finance's committee in October, asking for a full exemption for agriculture from the carbon tax. Arguments included the importance of the rural economy, economic and competitive pressures, food security and scarce agricultural land resources in BC. Farmers are environmental stewards who are already adapting to climate change and should be rewarded for that. All the hard work seems to have paid off with the new proposed budget announcing an exemption of the carbon tax on purple fuel. This is a great victory for farmers and ranchers! Details will be rolled out in the near future.

**HST:** The Harmonized sales tax will be reverting back to a PST/GST system in April, 2013. Producers will be required to go back to the bargaining table for an exemptions list of the tax as before the HST implementation and BCGPA will be actively involved in this process. BCAC has a farmer id card members are eagerly applying for which includes many benefits for producers.

**Water:** Currently the Water Act in BC is being reviewed and modernized as it is over 100 years old.

The *Water Sustainability Act* public consultation process has spanned over 6 years. Janet sits on this committee as an active member. The Agriculture and Environment Partnership committee provides a forum for consultation between the agriculture sector and government agencies with the intent to find and promote workable solutions and to provide options and recommendations with respect to environmental issues affecting the ag industry. Old terminology and rules around water capture and storage in the North need to be addressed regionally in the water act for risk management, safety and environmental reasons. The north uses mostly a 'dugout' method of water storage for use in livestock watering, domestic use and for spraying.

#### **Cosmetic Pesticide Use:**

The BC government explored a province-wide ban of urban pesticides use. Through a stakeholder and public consultation process, the BCAC presented to the Special Committee on Cosmetic Pesticides in fall. BCAC strongly encourages a science-based approach to any further provisions that may be considered regarding cosmetic pesticide issue with full consideration to the potentially serious repercussions for food-producing sectors. In early 2013 the committee decided on an applicator model for pesticide application verses and all out ban, however, possible changes in government with the provincial election in May, may influence this latest decision.

**Agriculture and Environment:** A forum, including 39 agriculture, government and non-government agencies, came together to build an understanding of the environmental challenges facing BC, how these challenges relate to agriculture and opportunities for working on common ground. The goal was to secure ideas that could be the basis for the next several years of ag-environmental policy and research. The outcomes of the forum will be used to guide further discussions. Agriculture *is* the environment, so good partnerships at the provincial level are very valuable. Rick Kantz and Janet attended this forum in conjunction with other Environment meetings.

BCGPA has participated in 2 workshops for *Peace Region Agricultural Adaptation Strategies* with the Climate Action Initiative this year, put forward by ARDCorp (BC Agriculture Research and Development Corporation). These strategies are a result of reports and perspectives that were gathered from agricultural producers about climate impacts and the ability of the sector to adjust to these impacts about a year ago. The reports also provide Key Actions to develop approaches, tools and resources to better support a resilient sector in a changing climate.

**Air Quality:** With oil and gas activity creating emissions in the Peace over the last few decades, the important element of air quality has been overlooked. The Province and partners from the oil and gas industry have embarked on a three-year air monitoring and community engagement program in the Northeast; Janet is at the table of this stakeholder advisory group. Following on the heels of phase one of the oil and gas health assessment, the air monitoring program is in response to growth in the oil and gas industry and concerns from residents over its potential impact on air quality. Actions are focused on monitoring for hydrogen sulphide, sulphur dioxide and volatile organic compounds in soils, together with broad based monitoring for particulate matter and ozone. There will also be a review of air quality data and making the data accessible to the public.

#### **Environmental Farm Planning (EFP) Program**

EFP/BMP programs in Growing Forward 1 (2008-2013) were fully allocated before April 1<sup>st</sup> 2012 and no new funding was available in this fiscal. Growing Forward 2 (ending March 31, 2014) will be rolled out in the spring of 2013. EFP's may be completed by agriculture operations with the assistance of Planning Advisor's, once the EFP is completed producers can access the BMP program if they have action items that fit in the on-farm incentive program.

**ALR/ALC:** BC has an Agriculture Land Reserve in place with a commission who decides how that land may be used. A review of the reserve/commission was done and recommendations for changes were

made. There is a great deal of pressure on ag lands and regulations were being applied province wide without regard for the unique needs of the North. Forming a delegation agreement to assist streamlining Northern priorities is before the Peace River Regional District for review, however, it is likely with the new ALR/ALC recommendations, together with the Official Community Plan that is currently underway, many concerns will be resolved.

As a result of the legislation, the Agricultural Land Commission is now able to increase enforcement within the Agricultural Land Reserve, place a five-year moratorium on repeat applications to the ALC, begin the transition to a more self-supporting operating model by 2013, and ensure greater consistency and consideration of the ALC's core values in regional panel decision-making by increasing the oversight of the chair of the ALC.

The legislation is part of a comprehensive reform package that also includes \$1.6 million in additional provincial funding, increased sharing of provincial resources, and a new minister's bylaw standard restricting building residential homes in the Agricultural Land Reserve.

#### **Objective 4. Transportation**

Meetings have continued with CRS, and the Ministry of Transportation about road conditions etc. The ministry had a graveling program in the South Peace that graveled a number of roads and was much appreciated. The condition of the roads and the speed and quality of maintenance do not seem to be getting better. BCGPA will continue to lobby for improvements as there are ongoing concerns about the condition and safety of the roads.

A great deal of work has gone into the "*Fair Rail Freight Service Act*". Farmers needed a speedy passage of Bill C- 52, which was introduced in December to help provide more balance for shippers in dealing with the railways. The grain industry spends \$1.4 billion on rail freight annually, exporting 35 million tonnes of grain and farmers need to get their crops from their fields to port in a timely manner to meet increasing trade needs, improve competitiveness and to help ensure agriculture industry reaches its full potential. The transportation committee is still active on this file.

#### **Objective 5. Business Risk Management**

##### ***Farm Income Protection***

Directors of the BCGPA and General Manager attended meetings, seminars, and conferences in order to have input into policy changes and regulations regarding issues such as market access, farm income protections, and other threats to farm income.

**Safety Nets:** Through BCGPA's involvement in the Grain Growers of Canada and the Canadian Canola Growers, there has been input into the continued Safety Nets review conducted by the Canadian Canola Growers. Grain farmers need a successful roll-out of the Growing Forward 2 components with strong support for market access, market development and research. The new Agri-Innovation, Agri-Marketing and Agri-Competitiveness programs should greatly help farmers and ag industries improve upon successes, but need to aggressively build more public-private-producer partnerships and an environment to attract dollars for research. The proposed changes to the BRM component have not resonated well with producers.

**Production Insurance:** The *Agriability* program in Fort St. John is still having difficulties in the deliverance of timely cheques, although with some staffing changes, it is getting better. Many concerns have been made by producers and were addressed at a meeting held with Provincial Production Insurance representatives at a meeting in February. Also discussed was the need for hail damage in the swath and better wildlife damage compensation.

**Harmonized Sales Tax (HST)** – As a result in the overturn of the HST in the 2012 referendum, BC is back to the old PST/GST system as of April 1<sup>st</sup>. Producers will be required to go back to the bargaining table for an exemptions list of the tax and BCGPA will be actively involved in this process. The BC Ag Council has a farmer id card that members are actively applying for which includes many benefits for producers.

**Invasive Species:** A director of the BCGPA sits on the North East Invasive Plant committee with advisement to the PRRD and the weed inspector for issues from the grain industry. Their continued initiative this year was public education for weed reporting and supplying resources for early detection and rapid response. They have also been instrumental in the provision of a weed free forage and straw program for sale to the province for use in the vast 'weed free' wilderness and demonstrate its effectiveness. The committee also educates on herbicide overuse in the BC Peace and which weeds are becoming immune to them.

**Canadian Grain Commission User Fees:** The CGC has released a User Fees Consultation Document to start the process of updating the Canadian Grain Commission user fees. Through memberships with the GGC and the CCGA, BCGPA has lobbied the government to introduce legislation amending the *Canada Grains Act* to modernize it and the Canadian Grain Commission prior to implementing proposed fee increases. Fee increases, resulting from a shift to cost recovery operating model for the CGC, will be implemented August 1, 2013. Further changes in top heavy governance are needed as well. Jim Smolik presented at the BCGPA Seminar in February in detail. Conference calls and meetings have been attended as BCGPA continues to present producer concerns over proposed legislation.

### **Objective 6. Marketing**

#### ***Investigate New Markets & Follow up on Existing Opportunities***

##### **Promoting Ag industry in BC:**

Directors of the BC Grain Producers and General Manager have had several opportunities in promoting the industry by attending the Ag Gala put on by BCAC in January, and outreach meetings and a reception sponsored by the Canola Council of Canada and the Canadian Grains Council. BCGPA has lent support through a letter to the local Seed Cleaning Coop for a side rail loading system which would allow for better transportation of niche and specialty market items.

##### **Radio- grain prices and announcements:**

CJDC 890 in Dawson Creek has given the BCGPA the opportunity of making use of the noon hour farm news and daily grain price time allotment. This free air time has been useful in making timely announcements and has direct interaction with the farming public in a 400km area.

##### **Biofuels:**

Nothing new has happened locally on the bio-diesel project except the occasional call for about information and to look at the Peace Biofuels business plan.

Through membership with the Canola Growers of Canada, BCGPA has helped facilitate the creation of a biodiesel working group focused on ensuring the canola industry is coordinating its efforts to expand canola-based biodiesel markets and production and worked with other partners in advocating for the build out of biodiesel capacity in Western Canada.

### **Objective 7. Food Safety/Biosecurity**

**Biosecurity Guidelines/ Program for the grain sector:** The Grain Council of Canada was asked to put together a Bio Security Protocol for addressing disease, chemical residues and pests for the grain sector on a national level. The BCGPA board has representation as part of the Grain Growers of Canada. Together with AAFC a voluntary standard has been issued by mail to all producers in Canada.

**On Farm Food Safety:** Funding was applied for and approved through ARDCorp for two workshops in early winter, 1 in the North Peace and 1 in the South Peace, with Murray Clark as trainer. 8 producers took in the workshops. The objective of the program is to make BC products among the safest and highest quality in the world. Cost sharing for implementation of these standards is available through ARDCorp.

**Summary comments, conclusions:**

The BC Grain Producers have had another very busy year and see a continued need for the producer association. This has been another year of uncertainty in the direction of marketing for the future with commissions and councils popping up, but general optimism has returned with the delivery of higher grain prices. The directors, members and General Manager of the BC Grain Producers Association have had a very busy and productive year attending many meetings, seminars, workshops and presentations locally, throughout the province and across the country to stay up-to-date on issues impacting the grain & oilseed industry in the BC Peace Region. The directors have met and received feedback from local producers on a regular basis and have brought their concerns forward to appropriate organizations and/or government agencies in a timely and professional manner. At times the work that needs doing seems to be overwhelming, and communication has been frustrating as they attempt to bridge the gap between local producers and organizations, government and non-governmental agencies and the general public for the good of grain producers and the food industry in general.

**Attachments:**

Newspaper articles  
Agenda for Information Seminar  
BCGPA newsletters  
Update reports  
Financial report: budget vs. actual