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January 26, 2004

Honourable John van Dongen
Minister of Agriculture, Food and Fisheries

Dear Colleague:

Since June 2001, our government has been working to implement our *New Era* vision to revitalize the economy, restore sound fiscal management, and put patients and students first.

Our *New Era* platform contained 201 specific commitments that our government would undertake on behalf of British Columbians. These included a commitment to “establish service plans that include measurable performance standards and targets for all programs that are annually audited and published, for all taxpayers to see.”

On June 25, 2001, I sent you a letter of instruction setting out the key priorities for your Ministry, including a list of the *New Era* commitments assigned to your Ministry. These commitments were also included in the Government Strategic Plan and Ministry Service Plans that were tabled in the Legislature in February 2002, covering fiscal years 2002/03 through 2004/05.

The Service Plan you are tabling today represents the final year of the first three-year plans. And it shows that we have made significant progress toward honouring our commitments. Accomplishments in your Ministry over the past two-and-a-half years include:

- Established the most comprehensive regulatory regime in the world for salmon aquaculture.
- Strengthened our federal-provincial relationship by establishing the Pacific Council of Fisheries Ministers and appointing a federal-provincial task group to discuss treaty fishery allocation issues.
- Provided \$11 million funding relief which, when added to the \$25 million in business risk management programs, can trigger federal funds giving the cattle and dairy industry access to approximately \$70 million.

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In the coming year, the province will continue work on a number of priorities to honour the commitments that we have made. These are detailed in your Ministry Service Plan, and include:

- Build on past successes and new directions set through the national agriculture policy framework and trading environment to enhance the competitiveness of the agri-food sector.
- Continue efforts to ensure consumer protection and confidence in British Columbia's food supply.
- Profile British Columbia's unique attributes regarding food production to the world.

It is important to note that all of the province's achievements to date, and our priorities for the year ahead, will be accomplished while balancing the budget in 2004/05, and having significantly increased funding for health care and education.

Clearly, we will do more if we can, as new resources are available, to build on the funding priorities detailed in this Service Plan – in a way that is consistent with our balanced budget commitment.

As our measures to revitalize the economy continue to create new jobs, growth and investment, this will allow us to continue strengthening public services for the benefit of British Columbians. Opportunities like the 2010 Olympic and Paralympic Winter Games will showcase British Columbia to the world and generate economic benefits all across our province. Future service plans will further demonstrate those benefits.

I know that you will continue to build on the progress your Ministry has made. Let me conclude by thanking you for your commitment to serving the best interests of all British Columbians.

Yours sincerely,

A handwritten signature in black ink, reading "Gordon Campbell". The signature is written in a cursive, flowing style.

Honourable Gordon Campbell
Premier



Ministry of Agriculture, Food and Fisheries



This is our ministry's third service plan, looking out over the next three years. It comes after a remarkable year for agriculture where both the ministry and industry have met some unprecedented challenges. I am pleased to say that we have made progress and we're still on target. That is the advantage of planning in advance — you know where you're going, and you can make adjustments as needed.

The refocusing of our ministry has certainly helped. The changes we've made in terms of our mission and strategic approach meant we were well positioned to work with industry in managing the BSE crisis, cope effectively with the drought and address concerns around food safety.

Now that B.C. has signed on to the national Agricultural Policy Framework, we will focus on implementing its benefits and programs. The framework will help B.C.'s agriculture and seafood sectors build on their natural attributes of resilience, quality and diversity through sound stewardship, science and innovation.

This year's service plan outlines key business areas and strategies that will continue to improve the climate for the agriculture and seafood sectors to contribute fully to the provincial economy. A revitalized provincial economy remains this government's overarching priority, one that allows the values of B.C.'s families and communities to be fully realized.

The ministry needs to be innovative, enterprising, results-oriented and accountable in order to contribute effectively to achieving the government's overall goals and vision. Over the past two years, the Ministry of Agriculture, Food and Fisheries has moved to advocacy, influence management and results-based approaches. We are now putting that into practice and seeing the results. We look forward to continuing in partnership with the private sector as it finds and makes the most of opportunities at home and abroad.

Through this service plan, the Ministry of Agriculture, Food and Fisheries will support the government's commitment to a strong and vibrant provincial economy, supportive social fabric, safe, healthy communities and a sustainable environment.

A handwritten signature in cursive script that reads "John van Dongen".

Honourable John van Dongen
Minister of Agriculture, Food and Fisheries

February 4, 2004

Message from the Deputy Minister

The Ministry of Agriculture, Food and Fisheries is poised to capitalize on the changes of the last two years and open the door to exciting new policy and program directions.

Completing the consolidation of our human, financial and information resources — and ensuring their complete alignment with our six business areas — marks a turning point. We now have the opportunity to drive forward with:

- our human resource management plan, enhancing further our commitment to excellence in service, our people and our ministry's work environment;
- four teams of ministry staff to build communications, learning and integrated strategic thinking around the core themes of competitiveness, resource sustainability, food safety and quality, and human resource management; and
- new external partnerships and internal initiatives to improve delivery and cost effectiveness of administrative services, regulatory activities and support programs.

With this foundation of corporate excellence, the ministry is positioned to meet the challenges of a dynamic policy and program agenda in the 2004–07 planning period. The Agricultural Policy Framework is now a reality in B.C., giving our agriculture and food sectors significant new, cost-shared resources to achieve a vision of long-term market success and profitability. The tools in the framework will help us achieve B.C.'s objectives for risk management programming, industry growth and competitiveness, food safety and quality, and environmental sustainability. Effectively implementing the framework's policies and programs in 2004/05 will bring an important new emphasis on partnerships — with key provincial groups like the Investment Agriculture Foundation and the B.C. Agriculture Council; with other provincial resource, environment and health ministries; and with federal agencies like Agriculture and Agri-Food Canada and the Canadian Food Inspection Agency.

In fisheries and aquaculture, there is an opportunity to begin capturing the economic benefits of an updated and strong regulatory regime for aquaculture, improved cooperation with the federal Department of Fisheries and Oceans through such initiatives as the Pacific Council of Fisheries and Aquaculture Ministers, stronger co-ordination mechanisms with other provincial ministries and sound mechanisms for working with local governments and First Nations. Development of a consolidated fisheries policy framework will continue in 2004/05, helping to ensure that our ministry's programs, policies and regulations contribute to the long-term growth and viability of B.C. fisheries and the coastal communities that depend on them.

Although the Ministry of Agriculture, Food and Fisheries is a relatively small ministry, our highly dedicated and professional staff in Victoria and 14 regional offices allows us to make significant contributions to such government-wide priorities as heartlands economic development, deregulation, effective Crown land management, drought and climate change action plans and e-government. On the strength of this service plan, we will support these priorities and seek to ensure that they, in turn, support the long-term

success of the agriculture and fisheries sectors. We will track our progress throughout the year, regularly seeking input and communicating our initiatives to staff, partners and all British Columbians.



Rory McAlpine
Deputy Minister

February 4, 2004

Accountability Statement

The 2004/05 – 2006/07 Ministry of Agriculture, Food and Fisheries Service Plan was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*.

I am accountable for the basis on which the plan has been prepared. All material fiscal assumptions and policy decisions as of January 30, 2004 have been considered in preparing the plan and I am accountable for achieving the specific objectives in the plan.



Honourable John van Dongen
Minister of Agriculture, Food and Fisheries

February 4, 2004

Ministry Overview

The primary focus of the ministry is to help the agriculture, food and fisheries sectors prosper and contribute to the B.C. economy while delivering high-quality and safe products to consumers within a context of environmental sustainability.

The ministry administers programs related to the production, marketing, processing and merchandising of agricultural and seafood products. Its stakeholders include B.C. producers (agriculture, aquaculture and fish) and the entire food system from farm to retail, consumers and citizens.

The ministry administers 37 statutes that deal with a wide range of topics including food safety/quality, the environment, pest and disease management, use of normal farm practices, licensing, risk management and marketing. Many of these statutes are administered in partnership with other agencies, including municipal, provincial and federal governments.

The ministry has 318 staff positions located in communities across the province. It is organized into 15 branches within three divisions:

- 1) Resource Development and Sustainability,
- 2) Risk Management and Competitiveness, and
- 3) Executive and Support Services (including policy and legislation).

All branches deliver programs within one or more of the core business areas described earlier in this service plan.

Resource Summary

Core Business Area ¹	2003/04 Restated Estimates ¹	2004/05 Estimates	2005/06 Plan	2006/07 Plan
Operating Expenses (\$000)				
Industry Competitiveness	4,604	4,540	4,540	4,541
Fisheries and Aquaculture Management	5,146	4,502	4,586	4,675
Food Safety and Quality	3,909	3,854	3,828	6,282
Environmental Sustainability and Resource Development	2,941	2,546	3,224	6,934
Risk Management	23,154	19,357	18,729	12,650
Executive and Support Services ²	9,399	9,893	9,785	9,610
Totals	49,153	44,692	44,692	44,692
Full-time Equivalents (FTE)				
Industry Competitiveness	45	43	43	43
Fisheries and Aquaculture Management	46	47	47	47
Food Safety and Quality	51	58	58	58
Environmental Sustainability and Resource Development	76	67	67	67
Risk Management	43	42	42	42
Executive and Support Services ²	68	69	69	69
Totals	329	326	326	326
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Industry Competitiveness	70	22	22	22
Fisheries and Aquaculture Management	494	483	438	524
Food Safety and Quality	300	346	379	387
Environmental Sustainability and Resource Development	667	812	378	812
Risk Management	366	106	58	106
Executive and Support Services ²	93	88	648	88
Totals	1,990	1,857	1,923	1,939

¹ These amounts have been restated, for comparative purposes only, to be consistent with the presentation of the 2004/05 Estimates.

² Executive and support services includes policy and legislative services.

Ministry of Agriculture, Food and Fisheries

Core Business Area ¹	2003/04 Restated Estimates ¹	2004/05 Estimates	2005/06 Plan	2006/07 Plan
Other Financing Transactions (\$000)				
Industry Competitiveness				
1. <i>Agriculture Credit Act</i> (Agricultural Land Development Program) — Receipts	870	765	725	660
Risk Management				
Crop Insurance Stabilization — Receipts	3,000	3,000	3,000	3,000
Crop Insurance Stabilization — Disbursements	3,000	3,000	3,000	3,000
Total net cash source (requirement)	870	765	725	660

¹ These amounts have been restated, for comparative purposes only, to be consistent with the presentation of the 2004/05 Estimates.

Core Business Areas

1. Industry Competitiveness

Industry competitiveness is the measure of how well an individual business or industry sector can profitably compete for market share in the domestic and/or export marketplace on a sustainable basis. It is affected by many factors, including technology that can reduce costs or enhance quality, the regulatory environment such as labour and processing plant regulations, trade and economic policies, access to markets including trade barriers, infrastructure, industry/company growth strategies, industry structure and product characteristics. It can also be affected by factors that cannot be controlled including the performance of both domestic and world economies or natural events such as drought, pests or disease.

If British Columbia's agriculture, food and fisheries related industries are to maintain and grow their existing market shares, they must address the above factors/barriers. The ministry's work in this core business area includes:

- reducing the regulatory burden on businesses;
- increasing industry access to information and expertise;
- assisting industry associations to be independent and self-reliant;
- delivering programs that create a positive investment climate;
- influencing international and inter-provincial trade negotiations and disputes;
- fostering research, development and innovation within industry; and
- advocating for agriculture, food and fisheries interests within government.

The ministry works with industry and other stakeholders to ensure that B.C. agriculture, food and fisheries industry interests are considered in government programs, services, regulations and in international and interprovincial trade negotiations; that they receive a fair share of federal and provincial funding; and that they are promoted in industry-led research and market development initiatives.

2. Fisheries and Aquaculture Management

The fisheries and aquaculture management business area consolidates sector expertise (shellfish and finfish aquaculture, and wild fisheries) in one business area to increase the capacity to identify and act on opportunities to promote growth.

Key functions include:

- developing and promoting management approaches that encourage economic growth and meet environmental objectives;
- harmonizing policies and regulations at the federal and provincial levels;
- strengthening monitoring and enforcement regimes;
- participating in coastal and marine planning; and
- building awareness of fisheries and aquaculture practices and economic benefits.

The fisheries and aquaculture business area works in partnership with industry and other business areas of the ministry, as well as external agencies and other levels of government.

3. Food Safety and Quality (including animal, fish and plant health)

The food safety and quality business area helps ensure that B.C. produces high-quality agriculture, food and fisheries products, and that plant, animal and human health risks are effectively managed. The ministry works with other regulatory agencies to manage risks across the agriculture, food and fisheries sectors — from monitoring and managing plant and animal health and production systems on the farm right through to food processing.

The business area is based on prevention, early detection and rapid response to maintain consumer confidence and market assurance, and it strengthens these activities by:

- working with the agriculture and fish sectors to promote the use of best management practices on farms including disease and pest management; waste management; weed control; and on-farm food safety and quality systems; operating a plant diagnostic laboratory and an internationally accredited animal health laboratory to diagnose and monitor disease occurrences to support effective management of animal health risks;
- continuing to develop effective tracking systems to protect against major disease or pest outbreaks, and supporting the implementation of improved systems for food safety and quality and product tracking throughout the food system; encouraging the development and implementation of international standards for safety and quality in order to ensure access to domestic and international markets and to maintain public health standards; and
- facilitating market access — government's role is shifting from prescriptive regulations to establishing outcome-based regulations with government oversight and improving the consistency between federal and provincial standards.

Together these activities are designed to achieve a high standard of food safety and quality while contributing to economic, environmental and social sustainability. The ministry shares information and collaborates with other ministries and the federal government in promoting animal and plant health, responding to disease problems and operating food inspection programs.

4. Environmental Sustainability and Resource Development

The environmental sustainability and resource development business area ensures that growth in agriculture, aquaculture and fisheries is managed in an environmentally and socially sound manner by:

- developing and delivering programs on best farm practices related to management of soil, waste and water;
- promoting co-operation and understanding among neighbours at the rural/urban interface;
- reviewing official plans and bylaws to ensure local government officials support farm operations and therefore encourage investment in their local economies; and
- working in partnership with other government agencies to maintain and improve access to Crown and agricultural resources.

Through these functions, the ministry will continue to promote economic growth that is environmentally and socially sustainable.

5. Risk Management

Agriculture faces many uncertainties in relation to weather, diseases and markets and these can often lead to unstable incomes and very significant losses. The objective of risk management is to reduce or mitigate the impact of these fluctuations so farmers can remain competitive. The risk management business area fosters a shared approach that includes improved risk management by farmers themselves.

The risk management business area includes the following functions:

- developing, delivering and promoting risk management products such as disaster insurance to be consistent with the new federal/provincial Agricultural Policy Framework and international trade obligations; and
- building partnerships to involve the private sector in risk management programs and to reduce the province's exposure to associated financial risks.

A key focus of this business area will be to implement the risk management chapter of the Agricultural Policy Framework.

6. Executive and Support Services

The province has made a commitment to creating a government that is innovative, enterprising, results-oriented and accountable. Government has re-emphasized the need to be cost-effective in program and service delivery, to reduce regulation and red tape, and ensure government employees are well-managed and results-oriented.

Executive and support services supports the ministry and each of its business areas by:

- leading the development, implementation and ongoing evaluation of the ministry's human resource management plan and providing supporting strategies including succession planning, recruitment, retention and individual performance management, rewards recognition and learning and development;
- providing financial management services such as preparing annual expenditure, revenue and capital budgets, and carrying out budgetary control functions;
- implementing processes to increase administrative efficiency and manage risks; and
- supporting policy development within particular business areas and at the broader ministry and government levels.

Goals, Objectives, Strategies and Results

During the next three years, ministry resources will be focused on achieving goals and objectives consistent with the ministry's vision of "a competitive and profitable industry that is environmentally and socially sustainable and provides safe, high-quality food for consumers and export markets". They also reflect the ministry's commitment to support industry self-reliance, address barriers that affect market access and the investment climate, and work in partnership with other provincial agencies, levels of government and the industry.

Results, key strategies and performance measures are also identified. Development and refinement of performance measures is ongoing, particularly of appropriate outcome indicators, which measure the impact a program has on its clients or on society.

Factors outside the ministry's control can influence ultimate outcomes so the performance targets shown specifically for the goals are broad indicators that generally reflect the level of success of ministry programs and policies. Although the ministry cannot be totally accountable for those broad measures, it will continue to monitor them in order to make adjustments to programs. Also, since outcomes tend to be the result of longer-term actions, it is important for analysis to take place over several years.

The performance targets shown next to objectives and their strategies in this plan are generally more immediate outcome or output measures over which the ministry has more control and accountability. These are the focus of this plan, and will be reported in the annual report published by the ministry after each fiscal year.

This high-level plan is supported by branch-level business plans that provide additional detail and describe the ministry's anticipated activities, programs or initiatives over the next three years and how they support the ministry's service plan. All goals, and most objectives, strategies and performance measures of the previous service plan are retained in this plan. Significant changes have been identified as appropriate.

Goal 1: *Agriculture, food and fisheries sectors that are competitive in a global economy, and provide economic benefits and stability to British Columbia.*

Outcome/Key Indicator: *A more profitable and growing sector.*

Core Business Area: *Industry Competitiveness.*

B.C.'s agriculture, food and fisheries industries have an opportunity to maintain and grow their existing market shares. The ministry enables them to act on these opportunities more effectively by promoting their interests through government programs and services, supportive regulations and international and interprovincial trade negotiations; by securing a fair share of federal and provincial funding, and by promoting industry-led research and market development initiatives.

Performance is measured by monitoring growth in the value of wholesale sales for the agriculture, food and fisheries sectors. This is supplemented by monitoring whether the GDP for the sectors is also increasing.

Performance Measures	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
Per cent yearly growth in agriculture, food and fisheries sectors.	Agriculture: \$2.23 billion farm cash receipts (2002).	2% growth in farm cash receipts.	3% growth in farm cash receipts.	3% growth in farm cash receipts.
	Fisheries and aquaculture: \$668.3 million landed values (2002).	4% growth in landed values.	4% growth in landed values.	4% growth in landed values.
	Food and beverage manufacturing: \$5.26 billion in shipments (2002).	3.5% growth in value of shipments.	3.5% growth in value of shipments.	3.5% growth in value of shipments.
Per cent yearly growth in GDP of the agriculture, food and fisheries sectors.	Agriculture: \$1.16 billion (2002).	3% growth	3% growth	3% growth
	Fisheries and aquaculture: \$276 million (2002).	3% growth	3% growth	3% growth
	Food and beverage manufacturing: \$1.91 billion (2002).	2% growth	3% growth	4% growth

Objective 1: *Increased ability to access domestic and international markets.*

B.C.'s agriculture, food and seafood products are produced for highly competitive domestic and global markets. Trade-related barriers and market preferences can affect access to both markets. The ministry improves access by addressing trade barriers and helping the industry develop the right product for the right market.

- Strategies:**
1. *Address international and inter-provincial trade barriers affecting B.C. agriculture, food and seafood products through trade negotiations and agreements.*
 2. *Improve the competitiveness of specific industry sectors by encouraging diversification and innovation, and adding value.*
 3. *Provide industry with on-line access to government and sector information and expertise.*

Performance is monitored by tracking the dollar value of exports and of the domestic market share for B.C. agriculture, food and seafood products.

Performance Measures	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
\$ value of exports for agriculture, food and seafood products.	\$2.47 billion/year agriculture and seafood (2002).	4% growth	4% growth	4% growth
Number of industries/communities accessible via InfoBasket.	16 industries/communities accessible via InfoBasket.	20 industries/communities accessible via InfoBasket.	30 industries/communities accessible via InfoBasket.	40 industries/communities accessible via InfoBasket.

Objective 2: *A positive business and investment climate within the agriculture, food and fisheries sectors in B.C.*

Continued investment and innovation is needed to maintain and grow the agriculture, food and fisheries sectors. The ministry is helping to support a positive business climate that attracts investment by ensuring that the regulatory environment does not pose unnecessary costs to producers and processors. It also delivers activities that help the sector act on opportunities for innovation.

- Strategies:**
1. *Reduce regulation and barriers to improve the industry's ability to be profitable.*
 2. *Identify opportunities to improve the competitiveness of B.C.'s agriculture and food sectors.*
 3. *Promote self-funding mechanisms for producers and processors to promote independence and innovation.*

A key measure for examining progress in creating a more positive business and investment climate is the reduction in regulations.

Performance Measures	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
Per cent reduction in regulations (ministry-controlled).	3,994 regulatory requirements (April 2003).	Reduce by one-quarter of baseline to approximately 3,000.	Continue to shift to outcome-based regulations, and further deregulate where feasible.	Continue to shift to outcome-based regulations, and further deregulate where feasible.
\$ value of industry investment.	Agriculture: \$161 million (2002)	3 % growth	3 % growth	3 % growth
	Aquaculture and fisheries: \$17.1 million (2002).	3 % growth	3 % growth	3 % growth
	Food and beverage manufacturing: \$132 million (2002).	4 % growth	4 % growth	4 % growth

Goal 2: *Optimum benefits to British Columbia from fisheries and aquaculture.*

Outcome/Key Indicator: *Growth in production and value of B.C.'s fisheries and aquaculture sectors to provide employment and new wealth, especially in coastal communities.*

Core Business Area: *Fisheries and Aquaculture Management.*

Fisheries and aquaculture contribute a great deal to the economy of B.C. and its coastal communities. The ministry is looking for ways to expand the value of the aquaculture and wild fisheries sectors while maintaining environmental and social sustainability.

Performance in relation to this goal is currently captured under Goal 1, and involved monitoring growth in the wholesale value of fisheries and aquaculture sectors in B.C.

Objective 1: *An expanded aquaculture sector (finfish and shellfish) within three years with improved financial viability and minimal environmental impact.*

In September 2002, the moratorium on finfish aquaculture was lifted. While this removes a significant barrier to growth in aquaculture, there is a need to continue to address policy and regulatory barriers and to respond to public concerns to ensure that growth occurs in a manner that is environmentally and socially sustainable.

Strategies:

1. *Ensure existing and new finfish farms are in appropriate locations, which may require relocation of some operations.*
2. *Develop a management framework that meets environmental objectives without unduly inhibiting the sector's ability to conduct business.*
3. *Encourage diversification to new finfish species.*
4. *Monitor compliance with waste management and escape standards through an improved and harmonized compliance and enforcement regime.*
5. *Participate in coastal and marine planning to maximize environmental performance, reduce conflict among resource users, and enhance access to resources.*

Objective 2: *Greater provincial influence over federal policy and management of the B.C. wild fishery to increase revenues to the B.C. seafood sector.*

Strategies: 1. *Establish a new working relationship with the federal government that supports joint decision-making for the management of B.C.'s wild fishery resources without interfering with federal constitutional authority.*

The primary measure of success will be the development and implementation of a new federal-provincial framework that increases the province's influence on decision-making in areas of federal jurisdiction. In July 2003, Canada and B.C. signed an agreement establishing the Pacific Council of Fisheries and Aquaculture Ministers. The ministry is focusing now on turning this working agreement into an operational arrangement.

Performance Measure	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
A new relationship with the federal government regarding provincial influence on fisheries and aquaculture decision making.	Through the Agreement on Inter-Jurisdictional Cooperation, the Pacific Council of Fisheries and Aquaculture Ministers was established.	Develop Work Plan to operationalize the Council's objectives. Hold annual meetings of federal and provincial Ministers. Implementation of an umbrella Memorandum of Understanding respecting Canada's Oceans' Strategy, in concert with other provincial agencies.	Implementation of Work Plans. Hold annual meetings of federal and provincial Ministers. Develop and implement subject specific MOUs to fulfil the commitments of the umbrella MOU.	Implementation of Work Plans. Hold annual meetings of federal and provincial Ministers. Develop and implement subject specific MOUs to fulfil the commitments of the umbrella MOU.

Goal 3: *Safe, high-quality B.C. products from sustainable agri-food systems.*

Outcome/Key Indicator: *Domestic and international confidence in B.C. foods and economically, environmentally and socially sustainable agriculture, food and fisheries systems.*

Core Business Area: *Food Safety and Quality.*

Profitability and growth within the agriculture, food and fisheries sectors depends on continued consumer confidence, access to markets and assurance that production systems and products do not pose human health risks. The ministry continued to make a significant commitment to improving B.C.'s level of protection for citizens, consumers and producers.

The ministry is currently developing a scorecard, which will provide an overall assessment of the food system and products. Based on an annual evaluation by an external panel of experts, it will identify both the strengths of B.C.'s agriculture, food and fisheries and areas where improvements can still be made.

Performance Measure	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
Annual external evaluation of the food system and products by a panel of experts.	Baseline in development. Evaluation report on food system; report shows positive consumer confidence.	External evaluation shows positive consumer confidence.	External evaluation shows positive consumer confidence.	External evaluation shows positive consumer confidence.

Objective 1: *Agriculture, food and fisheries production systems are protected against key animal, fish and plant diseases and pests, and food and human health risks are minimized.*

Customers in B.C. and in export markets are increasingly sensitive to food safety and quality issues. Effective diagnosis, tracking and tracing systems and on-farm food safety not only manage and protect against plant and animal diseases and risks to human health, but they also provide the basis for assuring food and product quality. The ministry will work with the federal government to develop appropriate systems and ensure that roles and responsibilities are clearly defined and key needs are met.

- Strategies:**
1. *Provide early diagnosis of animal, fish and plant diseases and pests, develop intervention plans to minimize economic losses, and offer monitoring to reduce or eliminate risks to human health.*
 2. *Identify food safety risks and develop plans to eliminate or reduce risks while minimizing economic losses.*
 3. *Promote systems that track B.C. products from production to retail, complementing national systems.*
 4. *Revise existing regulations so they define standards expected for the safety of the products rather than focusing on how to produce them, shifting government's role to oversight, audit and risk assessment.*

Objective 2: *B.C.'s agri-food industries are supported through the development, implementation and maintenance of plant, fish and animal health, food safety and quality management systems that are economically, environmentally and socially sustainable.*

Safe high-quality food production systems depend on appropriate on-farm practices and quality management. The ministry works with the agriculture and fisheries sectors to promote the use of best management practices and processes including disease and pest management; waste management; weed control; and on-farm food safety and quality systems.

- Strategies:**
1. *Encourage the agriculture, fisheries (including aquaculture) and food industries to adopt quality programs.*
 2. *Influence federal policies and programs through the Agricultural Policy Framework for food safety programs, and direct federal resources to meet B.C.'s objectives.*
 3. *Strengthen prevention programs for diseases and pests of animals, fish, plants and food-borne health risks.*

Performance is measured primarily by tracking the development and implementation of on-farm food safety and/or quality systems. As a secondary measure, the ministry will monitor the development and implementation of its new lab information management system to support animal and plant disease tracking in B.C.

Performance Measures	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
Per cent of B.C.'s agriculture and seafood industry organizations developing or implementing an on-farm food safety and quality program.	Program under development.	Begin to move toward 3-year target.	15% of farm organizations.	25% of farm organizations.
Database of animal and plant diseases in B.C.	Good baseline of disease occurrences in B.C. livestock and crops.	Improved accessibility to and use of data by pathologists and veterinarians. Incremental improvements to plant lab database.	Lab information management system further expanded and improved. Web based reporting available for livestock clients.	Improved tracking abilities and data sharing with other provinces and federal government.

Goal 4: *Environmentally sustainable development of the agriculture, food and fisheries sectors.*

Outcome/Key Indicator: *Achieve economic growth in balance with environmental and social values.*

Core Business Area: *Environmental Sustainability and Resource Development.*

In order to achieve the economic potential of agriculture, food and fisheries, growth opportunities must be environmentally and socially sound.

Performance is measured by initially examining the rate of adoption and implementation of environmental farm plans. The ministry can then measure the rate of growth in farm incomes relative to historical trends for operations with environmental farm plans.

Performance Measure	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
Income growth of operations with farm environmental plans versus historic data.	Environmental farm plan program being developed.	Develop baseline information. Environmental farm plan program applied.	Maintain growth in agriculture and aquaculture.	Agriculture = 5% growth in farm income. Fish = 4% increase in wholesale value.

Objective 1: *Agriculture, food and fisheries industries that pursue resource development using best management practices to maintain high environmental standards.*

It is important that farmers adopt responsible production and environmental practices if B.C.'s agriculture, food and fisheries sectors are to maintain long-term sustainability and improve the level of consumer, market and community support. The province has a unique opportunity to capitalize on B.C.'s leadership in developing and using environmentally sound management practices.

- Strategies:**
- 1. Develop and promote the use of environmental farm plans (including best practices, standards, operating procedures and audit processes), in conjunction with producers, regions and agencies.*
 - 2. Continue to update B.C.'s standards, policies and regulations maximizing environmental performance of the aquaculture industry.*
 - 3. Work with governments, ministries and agencies on legislation, policies and strategies dealing with water, wildlife, range, weeds and other issues to the benefit of the agriculture industry.*

The development and implementation of environmental farm plans is a key performance measure. Progress was slowed somewhat in 2003/04 with delays in establishing the program.

Performance Measure	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
Degree to which farms develop environmental plans and implement changes.	Less than 5% of BC's 9,000 commercial farms have implemented on-farm environmental plans.	450 farms with approved environmental farm plans. 400 farms have implemented plans.	1,400 farms with approved environmental farm plans. 800 farms have implemented plans.	2,400 farms with approved environmental farm plans. 1,100 farms have implemented plans.

Note: Targets are cumulative.

Objective 2: *A positive regulatory climate within local government jurisdictions to encourage investment in agriculture, food and fisheries in their communities, and to ensure production practices are responsible.*

The *Local Government Act* gives local governments the authority to adopt official plans and bylaws to regulate land use and farm practices. Plans and bylaws have the potential to conflict with agriculture, food and fisheries sectors. The ministry, through the strengthening farming program, supports stronger links between local governments, the farm community and the province so agricultural issues can be addressed through consultative and inclusive processes. This will lead to long-term solutions that are both supportive of the industry and appropriate to the community.

- Strategies:**
1. *Review local government bylaws to ensure they allow farmers to use normal farm practices.*
 2. *Develop standards to ensure bylaws are fair and supportive to agriculture.*
 3. *Work with local governments to develop official community and agriculture area plans so local governments can take action to enhance their agriculture industries.*
 4. *Support the formation and operation of local agriculture advisory committees that provide local governments with advice on land use, planning and regulation, and other issues affecting agriculture, and develop a working relationship with the Union of B.C. Municipalities to improve awareness of agriculture sector needs.*

The ministry has developed an evaluation index to support performance measurement against this objective. The index considers many different aspects of local government policies and programs, bylaws and zoning and develops an overall rating of the extent to which local government supports agriculture and fisheries in B.C.

Performance Measure	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
Evaluation index of local government policies and programs supporting agriculture and fisheries.	Evaluation criteria in development. Baseline index established and tested.	Improvement in evaluation index over previous year.	Improvement in evaluation index.	Improvement in evaluation index.

Objective 3: *Increase the availability of Crown land for agricultural production.*

Growth in some agricultural sectors depends upon increased access to Crown land. The ministry will work with government ministries that are responsible for managing and disposing of Crown land to identify and act on opportunities to increase access to Crown lands suitable for agricultural production.

- Strategies:**
1. *Participate with Land and Water British Columbia Inc. and the Ministry of Sustainable Resource Management in pursuing increased access to Crown land for agriculture and facilitating the development and productive use of these lands.*
 2. *Participate with the Ministry of Forests and other ministries to maintain and enhance access to Crown forage and rangelands for livestock grazing.*

A key measure of access to Crown lands is the Crown land production capacity available to the agriculture sector for grazing. Capacity is expressed in terms of Animal Unit Months, which is the amount of forage consumed by a mature cow (with or without a calf up to six months of age) during one month.

Performance Measure	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
Production capacity of Crown ALR land for grazing and availability for agricultural use.	Approximately 897,000 Animal Unit Months of grazing capacity (2001).	Maintain Animal Unit Months of grazing capacity.	Maintain Animal Unit Months of grazing capacity.	Maintain Animal Unit Months of grazing capacity.

Goal 5: *Reduced impact of income declines for farmers in agricultural sectors affected by disasters.*

Outcome/Key Indicator: *Improved overall farm income as a result of programs that reduce the impact of unpredictable, uncontrollable losses.*

Core Business Area: *Risk Management.*

Weather hazards, natural disasters, diseases, pests and erratic markets pose significant risks to producers of agricultural products. All of these risks can cause losses and lead to income instability in specific commodities. The ministry is fostering a shared-risk management approach with programs that stabilize these fluctuations and allow farmers to continue operating through downturns and remain competitive.

Performance is measured by monitoring farm incomes for sectors affected by disasters. Trend information for affected sectors will be developed by measuring the five-year rolling average for farm cash receipts in the crops and livestock sectors.

Performance Measure	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
Minimal decline in farm incomes as measured by annual change from 5-year rolling average for agricultural sectors affected by disasters.	Farm cash receipts: Average over 5 years (1998-2002): Crops – \$0.96 billion Livestock – \$1.07 billion Performance – 2002: Crops – 23.1% higher than average Livestock – 7% above average	Reduced annual deviation from 5-year rolling average.	Reduced annual deviation from 5-year rolling average.	Reduced annual deviation from 5-year rolling average.

Objective 1: *A comprehensive risk management approach for farmers which provides a predictable response to uncontrollable and unpredictable disasters such as weather hazards, natural disasters, disease, pests and market declines, and is consistent with trade obligations.*

B.C. is working in partnership with the federal government to develop appropriate insurance products that support effective risk management and to ensure that producers use them. The two key risk management products developed by the ministry are CAISP (Canadian Agriculture Income Stabilization Program) and Production Insurance.

- Strategies:**
1. *Maximize farmer participation through effective communication, marketing and overall delivery of CAISP and Production Insurance so that the combined federal/provincial investment provides a fair and effective level of support.*
 2. *Create partnerships or improve linkages with the private sector to increase the efficiency and effectiveness of risk management tools available to farmers in B.C.*
 3. *Integrate policy development and program delivery of CAISP and Production Insurance to maximize the overall effectiveness and efficiency of risk management programs.*

The ministry will measure the extent to which farmers are participating in risk management programs by comparing the total value of insurable crops to the total value of these same crops that are covered by some form of risk management (insurance) product.

Performance Measure	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
Levels of participation in risk management programs — as measured by per cent of farmers. (> \$50 K in gross sales) enrolled in either of the programs.	Progress toward 2004/05 target.	70% of farmers (> \$50K gross income) enrolled in CAISP or PI.	70% of farmers (> \$50K gross income) enrolled in CAISP or PI.	70% of farmers (> \$50K gross income) enrolled in CAISP or PI.

Objective 2: *A policy framework for marketing boards that increases B.C.'s share of national allocations, provides better governance, improves market responsiveness, and encourages specialty products and further processing in B.C. over a three-year period.*

Regulated marketing is considered an effective risk management tool in stabilizing incomes for specific sectors of the agriculture industry. B.C. has confirmed support for national supply management on the basis of economic benefits to the province in the absence of trade reform at this time. B.C. sees opportunities for growth in its national allocation of supply-managed commodities (dairy, poultry and eggs).

Strategies: *1. Implement the recommendations of the regulated marketing review completed in 2002/03.*

A key measure of success is an increase in B.C.'s share of the total Canadian sales of supply-managed commodities. While B.C. accounts for 13.1% of Canada's population, its relative share in the sales of some supply-managed commodities is often lower.

Performance Measure	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
B.C.'s share of Canadian sales of supply-managed commodities compared to B.C.'s per cent of Canadian population (13.1%) or as greater market demand dictates.	Milk – 8.8% Chicken – 15.1% Turkey – 10.6% Eggs – 12.9% Broiler egg – 16.2%	Gradual increase toward 2006/07 target in those commodities with growth potential (milk, turkey and eggs).	Gradual increase toward 2006/07 target in those commodities with growth potential (milk, turkey and eggs).	Milk – 10% Chicken – 15.1% Turkey – 13.1% Eggs – 13.1% Broiler egg – 16.2%

Goal 6: *Effective policy framework and administrative and financial systems in place that facilitate the ministry's achievement of its service plan objectives and ensures the ministry is well positioned for the future.*

Outcome/Key Indicator: *An efficient, accountable administration operating to achieve clear policy objectives, supported by productive and skilled employees.*

Core Business Area: *Executive and Support Services.*

Objective 1: *A comprehensive human resource management plan that documents the ministry's commitment to a supportive, rewarding and motivating work environment where employees are valued and service excellence is achieved.*

A professional and effective public service is essential to achieving ministry and government goals. The development and implementation of a human resource management plan will foster innovation and learning and focus employees on service excellence and results. Implementation of the plan will work toward this vision by creating a work environment within the ministry that motivates and rewards employees.

Strategies:

- 1. Implement strategies as described in the ministry's human resource management plan.*
- 2. Develop and build strategic alliances with the B.C. Public Service Agency and other partners to ensure the ministry's trends and issues are considered in the development of corporate human resource policies and strategies.*

Objective 2: *Effective policy framework and administrative and financial systems in place to facilitate the ministry's achievement of its service plan objectives and ensure the ministry is well positioned for the future.*

The legislative, policy and regulatory environment within which the agriculture, food and fisheries sectors operate is complex and involves many provincial ministries and agencies, federal and local government and First Nations. Economic growth can be more effectively supported if the ministry's policies and those of other agencies and levels of government do not create impediments to sustainable development. While the ministry does not have direct authority over many of these policy areas, it can strengthen partnerships in key areas to more effectively advocate for agriculture, food and fisheries sectors, influence policy development and achieve regulatory harmonization.

Strategies:

- 1. Support the development and refinement of policies in the ministry's core business areas as needed through advice and expertise.*
- 2. Lead the development of corporate policy and legislation, and provide ongoing support to executive on government-wide objectives and initiatives.*
- 3. Continue developing strategic relationships with provincial ministries, other levels of government and other agencies to ensure they understand and support agriculture, food and fisheries policies in efforts to optimize economic growth for B.C.*

Ministry of Agriculture, Food and Fisheries

Performance Measures	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
A strategic policy framework that improves the economic climate, meets deregulation targets and ensures business areas are founded on a firm policy and legislative base.	Agricultural Policy Framework (APF) implementation agreement in place.	APF contribution agreements in place.	Implementation of APF.	Implementation of APF.
	Fisheries and aquaculture for the 21st century.	Development underway.	Completion of policy.	Implementation Joint federal-provincial decision-making institution for fisheries.
		Development of Certainty for All Strategy.	Implementation of results of Certainty for All Strategy.	
	Implement recommendations of regulated marketing review.	Complete implementation.		

Objective 3: *Manage priority risks associated with the programs, operations and assets of the ministry.*

Strategies: *1. Develop and implement risk management strategies at all levels in the ministry.*

Performance Measure	2003/04 Base	2004/05 Target	2005/06 Target	2006/07 Target
Effective risk management.	Enterprise-wide risk management initiative implemented.	Documented risk management strategies at the branch, business area and ministry level. Performance measures to monitor key risks developed for all business areas.	Implementation of risk management strategies.	Implementation of risk management strategies.

Appendix 1. Strategic Context

Vision, Mission and Values

Vision

A competitive and profitable industry that is environmentally and socially sustainable and provides safe, high-quality food for consumers and export markets.

Mission

Deliver programs that maintain a positive business climate for a competitive market-responsive agri-food and fisheries sector, promote environmental and social sustainability and safeguard B.C.'s ability to provide safe and high-quality agri-food and seafood products for consumers.

Values

The following values outline the fundamental beliefs of the ministry and describe how the organization and its employees interact with clients and each other. The ministry strives to conduct its business in a manner that is:

1. ***Fair and Equitable*** — Building and maintaining among ministry personnel an effective spirit of teamwork and co-operation based on trust, integrity, flexibility, innovation, social equity and equality of opportunity.
2. ***Responsible and Accountable*** — Emphasizing responsible use of government resources and transparency in accounting for the use of those resources.
3. ***Service-oriented*** — Responding to the needs of the public, agriculture and fisheries sector groups, communities and staff in a timely and courteous manner.
4. ***Partnership-Building*** — Promoting teamwork, good working relationships, and effective partnerships with, and co-operation among, all orders of government, First Nations, agriculture, aquaculture and fisheries sector groups and communities.

Planning Context

In developing this service plan and making decisions on programs, the ministry has considered the following context, strengths and challenges.

The BC economy grew 1.7 per cent in 2003, slower than the 2.7 per cent expected at the time of last year's budget, according to BC's independent economic forecast council. The Council now expects growth in BC's economy to pick up to 2.9 per cent in 2004. Further information on the BC outlook may be found in the Budget and Three-Year Fiscal Plan released with the budget.

In 2003, the ministry negotiated a five-year federal/provincial plan to position the agriculture and food industry in Canada and in B.C. for greater profitability. The Agricultural Policy Framework supports service plan goals and objectives in industry competitiveness, food safety and quality, environmental sustainability and resource development, and risk management.

The Agricultural Policy Framework will provide up to \$56 million a year over five years depending on the level of program participation by the industry. This creates a level playing field nationally for B.C. farms, which will receive access to risk management funding on the same basis as farmers in other provinces. The framework will be a key driver of policy and program development in the ministry as implementation proceeds.

The finding of BSE in the Canadian cattle herd has profoundly affected livestock industries and required a number of program and regulatory changes at federal and provincial levels.

Strengths

The agriculture, food and fisheries industries are important contributors to the B.C. economy in terms of jobs and generating income.

- B.C.'s agriculture industry realized farm cash receipts of \$2.24 billion in 2002, and the sector employed almost 30,000 people. Total net farm income, a measure of profitability, was \$356 million in 2002, a small increase from the previous five-year average.
- The primary fish sector generated \$668 million in sales (landed value), and employed 6,000 people in 2002. In total, the seafood industry has averaged \$1 billion in wholesale value in each of the last five years, and provided more than 15,000 people with full- and part-time employment. It exports more than 90 per cent of its production into a highly competitive global market.
- The B.C. food and beverage processing industry, which depends on raw product from the agriculture industry, generated \$5.26 billion sales in 2002, of which \$1.7 billion was exported. This sector employs some 27,000 people.

- B.C. agriculture has three related food chain sectors that generate considerable sales and employment in the province. They are wholesale food distributors with sales of \$6.7 billion, employing 17,000; the retail grocery sector with sales of \$9.8 billion and employing 68,000; and the food service sector including restaurants, with sales of \$6.8 billion and employing some 133,000 people.
- The total agri-food and related industries contribute some \$21 billion in consumer sales and support more than 270,000 jobs in B.C.
- Both the agriculture and seafood industries are very diverse with more than 200 commodities being produced in agriculture and some 100 species of fish and shellfish being harvested or raised in B.C. waters. This diversity provides a strong base for the industry with many opportunities for adding value and marketing.
- The B.C. aquaculture industry, consisting of 30 species of finfish, shellfish and plants on 700 marine and freshwater sites, experienced a 22 per cent growth rate in 2002 and is expected to continue growing. Farmed fish production increased and is now the most significant Canadian fish export.
- The seafood sector has reliable food inspection programs backed by government. The seafood inspection regime involves both the provincial and federal governments and is based on hazard analysis and critical control point principles to ensure safe, quality seafood products.
- More than 60 per cent of the economic activity, both sales and employment, associated with intensive agriculture (e.g., dairy, poultry, berries, vegetable greenhouses) and food/seafood processing is located in the highly populated Lower Mainland and Fraser Valley regions with established rail and road links to ports of exit to the United States and overseas.
B.C.'s heartlands communities and regions are relatively more impacted by the agriculture and fisheries industries, which provide stability to resource-based rural economies.
- Agriculture, food and fisheries industries are less affected by economic downturns than B.C.'s other resource-based sectors. During the last decade, employment and production in the agriculture sector has remained steady or continued to grow when other sectors have declined or lost markets due to trade issues or global or local recession.

Challenges and Risks

B.C.'s agriculture, food and seafood industries face significant challenges, but in the right economic environment, are poised for growth. The ministry has considered the context in which these industries operate, and recognizes the challenges that must be addressed in order to create an environment in which these sectors can prosper.

Global markets for agricultural and seafood products are highly competitive.

- B.C.'s agriculture, food and seafood industries must compete in international markets with competitors who have similar or lower cost structures and marketable, quality products.

- B.C.'s agriculture industry has competitors that receive large government subsidies (i.e., Europe, United States, and Japan).
- B.C.'s agriculture and food industries must deal in domestic and international markets that impose various barriers that restrict market access.
- B.C.'s agriculture, aquaculture and food industries are smaller than those in other jurisdictions. Most competitor industries enjoy greater economies of scale.
- Globalization gives consumers, retailers and restaurants in B.C. immediate awareness of new/substitute products, changes in prices or higher-quality goods or services being provided by agri-food or seafood competitors outside the province.

The seafood industry is in transition.

- The seafood industry's business development is moving from a production approach to one that is more market-driven. The focus is on innovation, diversification, value-added and greater product recovery, new product development and expanding opportunities.
- The fisheries industry has been impacted by fluctuations in wild fish populations, risk-adverse fisheries management decisions, competition in the marketplace, and downturns in the economies of countries that have been traditional export markets. High turnover in skilled labour and a lack of newly trained entrants in the industry affect the sector's ability to produce diversified and higher value-added products.

The agriculture and fisheries sectors are vulnerable to unpredictable risks.

- The agriculture and fisheries industries continue to be challenged by unmanageable and unpredictable weather conditions, market situations and disease crises. As has been well demonstrated by the BSE crisis in 2003, these can create wide fluctuations in income and prices, leading to instability in the economies of local communities and of prices at the processor and retail level. Climate change may further increase the level of risk. These risks can affect investment decisions at the farm level and can lead to under-investment that may affect output and efficiencies in the long run.
- Government-supported risk management programs will continue, but will be more focused to ensure optimum effectiveness. Increased partnerships with the private sector will be developed to expand the range of risk management tools available to farmers. A comprehensive set of national risk management tools would help offset unexpected income downturns and reduce income fluctuations and increase stability. These tools will include climate change strategies to reduce the levels of greenhouse gas emissions.
- Provinces are participating with the federal government in implementing a national five-year, federal/provincial cost-shared Agricultural Policy Framework (APF) agreement. The federal government will contribute 60% with each province contributing 40% to implement the new Canadian Agriculture Income Stabilization Program (CAISP). The federal funding is significantly higher than provided under a previous agreement. Program redesign may also increase participation and therefore cost challenges to the provincial government.

There are local and global barriers that affect long-term industry competitiveness.

- Barriers include excessive regulations, inflexible marketing systems, outmoded labour standards, and domestic and global trade restrictions.
- Some policies and regulations of other ministries and other levels of government need to be amended to allow the agriculture, food, aquaculture and fisheries sectors to operate effectively in local communities and to be competitive in local and export markets.
- In order to address these challenges, the mandate of the ministry has shifted to a more outcome/results-based approach for program design and delivery; and to being an advocate for the agriculture, food and seafood industries within government.
- There is significant opportunity to improve overall competitiveness through the national Agricultural Policy Framework agreement. The framework includes funding for risk management, food safety, environmental sustainability, renewal and science/innovation in B.C., which can serve to improve B.C. industry competitiveness.

Consumer concerns about food safety.

- Recent high-profile animal disease outbreaks in Britain and bio-terrorism fears in the United States have raised consumer interest in the safety and quality of their food and water and in border security. More recently, the discovery of a beef cow in Alberta with BSE led to the immediate closure of the border for export of livestock products with the United States and other trading partners. A second cow with BSE was also discovered in Washington State. This increases the challenge to the agriculture, food and seafood industries to provide assurance that products from farms and firms meet recognized safety standards. Implementing systems for standards, certification and product tracking/tracing is costly and will take considerable time to put in place.
- B.C.'s direct farm marketing and on-farm processing sectors have benefited from increased consumer interest in fresh and packed products grown and/or processed locally.

Environmental values must be balanced with economic viability.

- Public concern about the environment is high, and industry growth must be managed in an environmentally sustainable way. Government has developed a comprehensive regulatory framework for the salmon aquaculture industry. This includes an improved and harmonized compliance and enforcement regime for the finfish and shellfish aquaculture industry, and designates the ministry as the provincial lead on all compliance issues associated with the industry. Discussions are under way with federal authorities to ensure joint opportunities are maximized for compliance monitoring and assessment of activities associated with aquaculture. The agriculture sector is further developing its ability to deal with environmental issues through on-farm environmental plans.

B.C.'s food processing capacity has declined.

- Competitive pressures including higher input costs, higher labour costs, and limitations to emerging markets have caused some major food processors to move to other provinces. This has reduced the ability of some sectors to maintain their costs in getting their raw products to market, adding value to their raw products or reaching new markets.
- Food processors in B.C. have no effective organization to bring their policy concerns to the attention of any level of government, which results in regulatory decisions that can unintentionally affect the investment climate.

Federal versus provincial jurisdiction creates challenges in maximizing program benefits.

- Agriculture: The federal and provincial governments share jurisdiction over some components of agriculture such as risk management. While this creates challenges for managing and delivering programs in the most beneficial way for B.C. farmers, it also creates a major opportunity for accessing significant federal funds.
- Fisheries and aquaculture: The provincial government is the lead for aquaculture while the federal government is responsible for wild fisheries. The challenge for the province is to increase provincial influence over federal fisheries policy decisions.

Local governments have considerable jurisdiction and powers.

- Local governments affect both agriculture and aquaculture through their bylaws on size, location, development, or operating procedures. This is a particular challenge where urban neighborhoods have developed next to intensive agricultural operations. Greater investment is possible by working with local governments to change or improve bylaws that encourage responsible operations rather than restrict them.

Internal to the Ministry — opportunities, challenges and risks

A changed mandate requires a cultural shift internally.

- The ministry's mandate changed beginning in 2002/03. The mandate traditionally focused on developing production technology and transferring it to producers. While relationships and partnerships with commodity and industry organizations have always been a significant factor in carrying out ministry programs, developing and using these partnerships is now the greater focus in program delivery. Ministry services to producers, processors and other industry partners now focus on the challenges and opportunities facing the agriculture, food and fisheries industries and improving the private sector capacity to meet these challenges and opportunities.
- A greater emphasis has been placed on food safety and environmental sustainability, with the focus shifting from productivity improvements to issues management, policy influence and increasing overall industry competitiveness.
- The change in mandate and emphasis has meant a larger role in facilitation and partnership building to enable industry to be more self-reliant in accessing programs and information from government and private sources. The government's shift to outcome-based regulations and less government inspection in favour of a monitoring and audit (oversight) role presents both challenges and opportunities for staff as they adopt new roles.
- A significant proportion of professional staff members are within five years of retirement eligibility. Implementation of a human resource management plan that develops and retains the highly skilled human resources, including a succession plan, is well underway.
- There are a large number of inter-ministry issues. The ministry will consult with other ministries and agencies in developing new models in order to work together most effectively and advocate on behalf of the agriculture, food and fisheries sectors.

Summary

With a good government policy framework, B.C.'s agriculture, food and seafood industries have the ability to thrive. The industries can expect continued economic growth while managing environmental and social expectations.

The ministry is addressing the challenges and opportunities in ways that are different from the past. There is more emphasis on building partnerships and relationships with organizations, influence management, effective policy and legislative frameworks, and giving industry the tools to be more self-reliant and less dependent on government. In essence, the mandate of the ministry has shifted to a more outcome/results-based approach where it advocates for the industry within government. Integrating and co-ordinating the efforts of staff to harness their strengths and pursue key opportunities will be essential to succeeding in this new environment.

Highlights of Strategic Shifts and Changes from the Previous Service Plan

This year's service plan continues to chart the course established following the ministry's core review. The contents of this year's plan are consistent with the ministry's previous service plan and build on successes realized in the last year. For example, with the successful negotiation of the federal-provincial Agricultural Policy Framework, the ministry has adjusted some strategies to reflect a focus on implementation.

Consistency with Government's Strategic Plan

Each core business area indicates specific linkages with the provincial government's strategic plan "*A New Era for British Columbia*". The business area descriptions also note linkages to the Premier's letter to the Minister where applicable.

Specifically, the government's broad goals are:

Goal 1: *A strong and vibrant provincial economy.*

Goal 2: *A supportive social infrastructure.*

Goal 3: *Safe, healthy communities and a sustainable environment.*

The ministry's focus is on creating the conditions that will lead to growth in the agriculture, food and fisheries sectors. Supporting goals, objectives and strategies are designed to promote economic growth within a broader framework that maintains safe, healthy communities and a sustainable environment. The core business areas and supporting goals of the ministry support the province's goal of "*a strong and vibrant economy*". Through food safety and quality, and environmental sustainability and resource development, the ministry supports the province's goal of "*safe, healthy communities and a sustainable environment*".

Deregulation

This service plan indicates how the ministry will reduce regulatory impediments to competitiveness of the B.C. seafood and agrifood sectors. The target is to reduce regulations by one-third within three years. The ministry has made significant progress toward this target, and could achieve it ahead of schedule. (Please see specific targets under Goal One, Objective Two.) Legislation and regulations inconsistent with the new mandate of the ministry will be repealed. It will be also achieved by shifting to outcome-based regulations.

Appendix 2. Summary of Related Planning Processes

Human Resource Management Plan

The ministry has implemented a comprehensive human resource management plan to address the immediate and long-term human resource needs to deliver this service plan. The ministry will carry out the plan within the context of the following vision and strategies:

Vision:

The Ministry of Agriculture, Food and Fisheries is committed to a supportive, rewarding and motivating work environment where employees are valued and service excellence is achieved.

It encompasses the following broad strategies:

Effective People Strategy

- Developing effective recruitment and retention strategies to enable the ministry to deliver on its service plan objectives.

Proactive and Visionary Leadership

- Developing leaders in the workforce who will continue to expand on the vision for the public service of the future.

Performance Focused Workplace

- Establishing and implementing performance-based systems that ensure the ministry is achieving its service plan objectives in the most efficient and effective manner.

Flexible and Motivating Work Environment

- Establishing and implementing options for flexible work environments to ensure maximum physical and emotional well-being.
- Providing opportunities for career development.

Learning and Innovative Organization

- Implementing personal learning plans for employees to maintain and improve their expertise.

Progressive Employee-Employer Relations

- Promoting ongoing regular communications between executive, managers and staff to maximize feedback and develop a relationship of trust and mutual respect.
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Information Resource Management Plan

Strategic Direction

The Ministry of Agriculture, Food and Fisheries has adopted the following strategies:

- Provide web-enabled service delivery where feasible so the public can access more information electronically while allowing staff to respond to relevant client inquiries.
- Manage within a more limited budget with creative approaches in office computer systems.
- Use common information technology, infrastructure and management concepts to ensure stable, secure, and functional computer systems.

Major Projects

- **Further expansion of InfoBasket:** The ministry's award-winning portal, InfoBasket, will continue to be expanded with the addition of more business focus areas addressing specific commodity groups. The site now has sheep and lambs, specialty crops, bison, agroforestry, micro-food processors, as well as organics and ornamentals.
 - **Replacement of aging computerized licensing systems:** The ministry will continue with projects to replace its aging commercial fisheries and aquaculture licensing systems. During fiscal /03, the requirements phase was undertaken with design and build phases planned for 2004/05. The intent is to use the ministry's common licensing system as much as possible for all the licences it issues.
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Climate Change

B.C. is working with the federal government as part of the Agricultural Policy Framework agreement to meet a target for the reduction in greenhouse gas emissions. Under the agreement, Canada and B.C. have committed to reducing greenhouse gas emissions by eight per cent from the estimated baseline in 2008 if business continued as usual. As the ministry implements the Agricultural Policy Framework, it will develop supporting strategies to reach the proposed target.

Risks

The threat of climate change poses several risks to the agriculture, food and fisheries sectors:

- changes in cropping patterns/potential reductions in dryland crop yield potential
- potential increases in crop damage
- water shortages in some areas and potential excess supply in other areas
- changes in the interactions among crops, weeds, insects, and disease
- increased potential for greater fluctuations in weather patterns with more severe and frequent extremes (e.g., storms, or droughts) which may increase the occurrence of weather/climate related disasters and lead to crop and farm structure related losses.

Opportunities

- access to federal program funding including the environmental farm planning program and the green cover program
- growing different crop varieties to respond to climate change
- potential to increase crop yields, provided water supply can be supplemented by irrigation
- expansion of crop and livestock production in (currently) cooler more northern areas
- expand carbon sequestration through improved management practices
- trading of carbon sequestered in agricultural soils.

Strategic Directions

Industry

Competitiveness:

- Support government and sector in developing/adopting new techniques, varieties, and pest control mechanisms suited to climate change; and planning and systems to deal with short-term extremes in weather that cause impacts on livestock production (feed supply, waste disposal, and access to market).
- Ensure efficient use of water for crop and livestock production. Fish and food processing will become more critical, for optimal production and to help maintain freshwater flows for fish in streams. Efficient water use is included in environmental farm planning program/ Agricultural Policy Framework for primary agriculture.
- Facilitate the development of an action plan for the B.C. agri-food industry to adopt new technologies and production systems in response/anticipation of climate change and its effects.

- Fisheries and Aquaculture:**
- Encourage the use of alternate fuels for marine vessels, or the use of hybrid vessels (i.e. fuel/wind). Without incentives, the fleet is unlikely to explore alternatives to current technologies and fuels.
- Food Safety and Quality:**
- Evaluate rates of disease transfer and types of diseases in land and aquatic based farms due to climate change.
- Environmental Sustainability and Resource Development:**
- Continue to promote environmental farm planning. On-farm nutrient management plan program, to ensure efficient use of nutrients (manures and fertilizers) and other beneficial management practices for livestock and crops, petroleum handling and storage; energy use; composting; greenhouses; and other farm activities, will generally assist in greenhouse gas emission reduction and the potential for reducing emissions is large.
- Risk Management:**
- Research/design of systems and structures is needed if the occurrences/severity of 1-in-100 years storm/weather events increase.
 - Review work done on the effects of climate change on agricultural commodities/regions.
 - Information systems need to be in place for crops, livestock and aquaculture including long-term weather forecasting and predictions of climate/weather for the season, to allow managers to make changes in response to weather/climate change.
- Executive and Support Services:**
- Work with the federal government to develop policy clarifications and/or changes to secure credits for agriculture where soil capacity to sequester carbon is improved and to achieve maximum carbon sequestration potential. Examine legal/economic ramifications of using farm land for carbon sequestration.
 - Work with the federal government to fund the study and modeling of emissions by geographical regions/sector, and develop targets for reductions. Amount of emissions from much of B.C. agriculture and sink potential is very poorly understood.

