

Island Good Food Initiative – Fact Sheet

REGULATED AGRICULTURAL PRODUCTS IN BRITISH COLUMBIA

In BC, production and marketing of eight agricultural products is regulated. Eggs, dairy products, hatching eggs, chicken and turkey are supply managed products, regulated at both the provincial and federal levels. Vegetables, cranberries, and hogs are regulated only at the provincial level.

Supply Managed Products

Canada's supply management system regulates production and controls imports of dairy products, chicken, turkey and eggs to ensure that supply meets Canadian demand and that the prices paid to farmers cover their costs of production. There are three essential features of supply management:

Border controls. Imports of supply managed commodities are restricted to ensure that Canadian products are marketed to Canadian consumers. Canada allows imports of a value equal to a certain percentage of the Canadian market for each of the supply managed products. Once these minimum access levels have been reached, high tariffs are charged on any additional imports.

Production Control. Production of supply managed foods is controlled to match Canadian consumption. National agencies estimate the annual consumption of each product in Canada and divide the rights to fulfill this demand among the provinces. In BC, production of eggs, hatching eggs, chicken, turkey and dairy products is limited by the provincial share of national production. Provincial agencies, in turn, regulate production by growers within each province through a quota system.

Price stability. Provincial marketing boards establish minimum prices to be paid to farmers for supply managed products. These minimum prices are intended to cover the costs of production and provide a stable income for producers.

Quota

Producers of supply managed products are required to hold quota issued by the provincial marketing boards. Quota is a licence to produce and market a specified amount of product in a certain time period. Marketing boards establish the conditions for holding and exchanging quota.

Legislation

The Natural Products Marketing Act regulates the production, transport, packing, storage and marketing of agricultural products in BC. Under this Act, provincial regulations ("Marketing Schemes") establish a Marketing Board or Commission to oversee each of the eight regulated agricultural products. A number of Federal-Provincial Agreements have also been established to coordinate co-operation between federal and provincial agencies and marketing boards for each of the supply managed agricultural products.

Regulated Products

Provincial marketing boards or commissions oversee the production, transportation, packing, storage and marketing of regulated products in BC. Producers must obtain a licence to market a specified quantity of regulated product. Provincially-regulated agricultural products are not subject to the same import controls as the federally supply managed products. Thus, marketing agencies for these products face greater competition from imported foods.

There are three marketing boards for provincially-regulated products: the Vegetable Marketing Commission, Hog Marketing Commission and Cranberry Marketing Commission.

Only certain greenhouse, field and storage crops are regulated and these vary among different regions of the province. On Vancouver Island and the Gulf Islands, regulated storage crops include beets (with tops off), green cabbage, red cabbage, carrots (with tops off), onions, parsnips, potatoes, rutabagas, and white turnips. Regulated greenhouse crops include cucumbers, tomatoes, peppers and butter lettuce. Lettuce and celery are the only regulated field crops.

Relevant Agencies

The National Farm Products Council supervises the following four national marketing agencies:

Egg Farmers of Canada (www.canadaegg.ca)

Turkey Farmers of Canada

(www.turkeyfarmersofcanada.ca)

Chicken Farmers of Canada (www.chicken.ca)

Canadian Hatching Egg Producers

(www.cbhema.com)

The Canadian Dairy Commission oversees the dairy industry (www.cdc-ccl.gc.ca/cdc/).

The Farm Industry Review Board (FIRB)

supervises the following provincial marketing agencies:

BC Broiler Hatching Egg Commission

(www.bchec.com)

BC Chicken Marketing Board (www.bcchicken.ca)

BC Egg Marketing Board (www.bcegg.com)

BC Milk Marketing Board (www.milk-bc.com)

BC Turkey Marketing Board (www.bcturkey.com)

BC Cranberry Marketing Commission

(bccranberries.com)

BC Hog Marketing Commission (www.bcpork.ca)

BC Vegetable Marketing Commission

(www.bcveg.com)

FIRB also hears appeals from individuals dissatisfied with decisions made by any marketing board or commission in BC.

Regulated Marketing and Small Farms

There are exemptions to the requirement to hold quota for production of regulated products for personal consumption and for small lot farmers. Small lot producers may still be required to register with a marketing agency and acquire an annual licence.

Programs also exist for new entrants to obtain quota to produce higher volumes of the supply managed products. The ease of accessing each of these programs varies. Interested producers should seek specific information on new entrant programs with the appropriate marketing board or commission.

Small Scale Production Exemptions

Eggs. Farmers with up to 99 laying hens who market eggs directly to consumers are exempt from licensing requirements with the BC Egg Marketing Board. Producers may also apply annually under the small lot authorization program for a permit to keep 100-399 certified organic, free range or free run laying hens.

Chicken. Individuals producing fewer than 200 birds for personal consumption are exempt from licensing requirements with the BC Chicken Marketing Board. Small lot producers may obtain an annual \$20 permit to produce up to 3000 kg (live weight) of chicken per year.

Turkey. Growers producing fewer than 50 turkeys for personal consumption are exempt from licensing requirements. Small lot producers may apply for a direct vendor allowance to produce up to 300 turkeys per farm property and direct market these birds at the farm gate, a farmers market, or an independent retail/restaurant outlet.

Milk and Dairy Products. The BC Milk Board does not actively prohibit individuals from producing milk for personal consumption. However, quota is required to market any quantity of milk.

Hatching Eggs. There are no exemptions for small lot programs for hatching eggs.

Vegetables. Growers producing under one tonne per year of a regulated field or storage vegetable, and growers with less than 5000 m² greenhouse space devoted to regulated greenhouse crops, are exempt from marketing requirements. Generally, the BC Vegetable Marketing Commission applies its orders to commercial producers selling at least \$5,000 of a regulated product annually through a licensed marketing agency.

Hogs. Producers may raise and market up to 300 hogs per year without obtaining a licence.

Cranberries. There are no personal consumption or small lot exemptions for cranberry production.

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