

# Small Farm Business Acceleration Pilot Program

**Final Report** April, 2022

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# **Report Outline**

PART 1	BACKGROUND
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PART 4	MEASURING PROGRESS
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# **Background**

Small farms, or those farming under 69 acres (28 hectares), make up more than 67% of all farm operations in B.C., which is more than double the national average. 64% of new farmers start out on fewer than 10 acres (4 hectares). Despite their small size, many of these farms contribute directly to B.C.'s local food supply with an emphasis on direct-to-consumer sales or through local marketing channels such as farmers' markets and restaurants. This is particularly true in rural centres where small farms contribute, not only the local food supply, but the regional food security of communities.

New and small farmers were disproportionately impacted by the financial impacts of COVID-19 due to their size, disruptions in direct-to-consumer marketing, and lack of access to capital and financial support programs. These farmers are comprised of a high proportion of underrepresented, rural populations leaving them vulnerable to long-term impacts of COVID-19 shutdowns.





In September of 2020, the Province of British Columbia approved the pilot of the Small Farm Business Acceleration Program to support the growth of small and new farms by increasing business management knowledge and skills, as well as providing cost-shared funding for the purchase of infrastructure to grow farm enterprises.







# **Program Objective**

The Small Farm Business Acceleration Pilot Program supported the growth of small and new farms by providing financial support for the implementation of farm business plans and growth strategies. The program supported cost-shared purchasing of commercial farm infrastructure and equipment needed to accelerate the revenue growth of farm businesses.

Through the Small Farm Business Acceleration Pilot Program, small and new farm businesses were able to make investments necessary to achieve farm income growth goals, ensure commercial viability and strengthen financial sustainability.







# INCREASE PRODUCTION

Expand agricultural production, diversify agricultural production and/or extend the agricultural production season.



# INCREASE PRODUCTIVITY

Advance innovative techniques that increase sustainable agricultural production practices such as food safety, reduction of farm waste and/or water use supporting the growth of a sustainable economy.



# **Priority Outcomes**

Approved applicants were eligible to receive between 50% to 75% of cost-shared assistance for the purchasing of infrastructure that meets the income growth goals of their farm business. Each applicant was required to provide a business and growth plan for their farm enterprise. Supports were available for coaching by qualified professionals for the development of farm business plans.

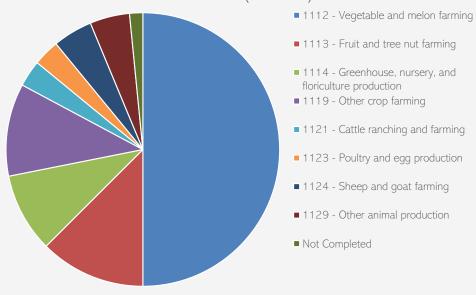


# INCREASE FINANCIAL SUSTAINABILITY

Increase a farms ability to achieve profitability targets through increase production, processing, diversify market access and increase sales.

# **Program Outputs — Approved Applications**

Primary Commodity for Approved Farm Businesses (% total)



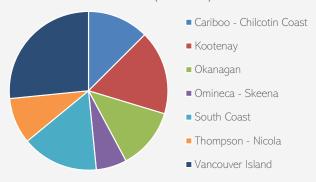
165

64

Applications for infrastructure funding

Applications approved for funding

Agricultural Region for Approved Farm Businesses (% total)





# Commitment to Diversity and Inclusion Approved Applicants

Among B.C.'s small and new farms, women and underrepresented groups have also been disproportionally impacted by the COVID-19 pandemic. B.C. currently leads all of Canada with the highest proportion of women farm operators (37.5 percent) and as with other industries, women have seen consistent challenges throughout the pandemic due to increasing needs for care-giving. B.C.'s agriculture demographics also consists of one of the oldest farmer populations in Canada with an average age of 56 years old. The increasing retirement age of farms continues to leave significant gaps within the food supply chain of B.C. with a decreasing number of farms seen across the province each year. To address the concern of an aging population, the Ministry has developed the New Entrant Strategy which supports new entrants into the agriculture and food sector through increased access to land,



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# Measuring Progress

In the winter of 2022, successful applicants were required to complete an evaluation report which provided staff with updates as to the outcomes of their growth project. Winter 21/22 was chosen to allow for results from a full growing season and to capture the seasonality of agri-food businesses.

KEY INDICATOR	DATA	OUTCOME
% of farms indicating increased production, productivity and financial sustainability of small farm businesses	Evaluation reports from successful applicants (Winter, 2022)	<ul> <li>100% of applicants were able to meet at least one of their goals outlined in their Growth Plan.</li> <li>95% felt confident in their ability to financially manage their farm business following participation.</li> </ul>
% of farms stating increased confidence in growing farm business	Evaluation reports from successful applicants (Fall, 2021)	<ul> <li>90% of applicants were confident in their ability to prepare a growth plan and project budget for future projects.</li> <li>88% of applicants felt confident they had the knowledge and information they needed to make informed decisions about their Growth Plans.</li> </ul>
% of successful applicants identifying as under-represented communities (women, youth, Indigenous Peoples, people with disabilities, etc.	<ul><li>Total applications received</li><li>Applications approved</li></ul>	<ul> <li>82% of applicants identified as being part of an underserved community.</li> <li>95% of approved application identified as being part of an underserved community.</li> </ul>





# Final Evaluation Outcome: Production Capacity

Expand agricultural production, diversify agricultural production and/or extend the agricultural production season



■ Increase Production Capacity

■ Increase Labour Productivity

■ Increase Productivity of Livestock

Increase Market Access

■ Improve Crop Quality or Decrease Losses to Pests and Wildlife





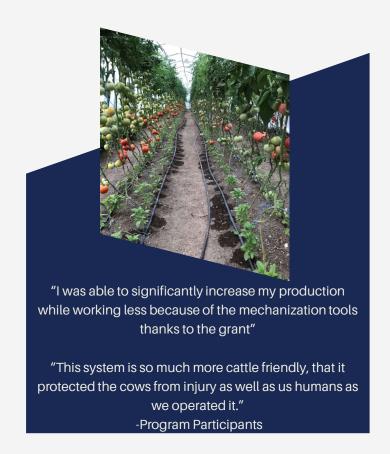
# Final Evaluation Outcome:

# **Increase Productivity**

Advance innovative techniques that increase sustainable agricultural production practices such as food safety, reduction of farm waste and/or water use supporting the growth of a sustainable economy

### **Examples Include:**

- · Purchase and Install Irrigation equipment
- · Purchase and install a geothermal greenhouse
- Purchase and convert a 40 foot seacan to a dry and cool storage facility
- · Purchase a wash station for vegetables
- Purchase a cattle squeeze and attachments
- Build a trailer with a portable walk-in cooler







house crops like tomatoes and peppers with a larger and heated greenhouse and in turn give us the ability to sell in bulk wholesale amounts to companies such as Discovery Organics, Natures Fare and Long Table Grocery" -Program Participant

# **Final Evaluation Outcome:**

### **INCREASE FINANCIAL**

**SUSTAINABILITY**Increase a farms ability to achieve profitability targets through: Increased production

- Extending the growing season
- Overcoming regional limitations to growing season due to climate

### Processing

- Saving time on labour
- Mechanization to standardize for an optimal product (ripeness, quality)

### Diversifying market access

• Addition of farm stands, increase CSA subscriptions and access to farmers' markets and/or commercial grocery operations





# **Challenges:**

For Implementing the Project

- Cost of inputs increased
- Climate change
- Access to Water
- •Increased potential for damage from pests
- Increased capacity leading to a greater demand for resources
- •Cost of maintenance, maintaining tools and increasing knowledge of care and maintenance

**For the Future** 

- Need to explore new markets
- ·Growing demand for local food
- ·Availability of land for expansion
- •Increased competition from other growers in the region
- Anticipate hiring and securing more labour
- •Lack of access to food processing infrastructure, and facilities with adequate health and safety regulations
- •Physical limitation of human resources (ramping up and burning out)
- •Supply Chain Issues for sourcing locally



### Conclusion

Despite considerable impacts due to COVID-19, through the Small Farm Business Acceleration Pilot Program, small and new farmers representing diverse and underserved population were able to access business supports and increase business management skills.

Identifying challenges and successes through the application of the Program will be integral to informing the New Entrant Strategy and providing support to B.C.'s next generation of farmers.



Representation

- Able to access business supports and increase business management skills
- Addressed the most urgent needs in their business that was a barrier to increased profitability and sustainability
- Applicants were comprised of a high proportion of underrepresented populations made particularly vulnerable due to the recent pandemic

