

B.C. Regulated Vegetable Industry, 2019

QUICK FACTS

- In B.C., vegetable production is regulated at the provincial level. Farmers who are located in the regulated area of B.C. and produce more than one tonne of regulated vegetables per year must be registered with the BC Vegetable Marketing Commission (the Vegetable Commission).
- The area of the province that is currently regulated is south of the 53rd parallel and includes Vancouver Island and the Gulf Islands, but not Haida Gwaii. Only certain vegetables are regulated (see tables below).
- In 2018, the total production of B.C.'s 59 greenhouse producers, 78 storage crop producers and 10 processing crop producers was about \$313 million.
 - Conventional greenhouse production accounted for \$246 million,
 - Storage crops and crops for processing accounted for \$48 million,
 - All organic crops accounted for \$19 million.
- The volume of product grown for processing is small. There are currently only 3 processors left in the province: one for strawberries, one for organic processing vegetables, and one for both organic and conventional processing vegetables.
- B.C. is Canada's second largest greenhouse producer of peppers, tomatoes, and cucumbers, after Ontario.

Regulated Vegetable Crops in B.C., Acreage and Value* (2018)

Crop type	Regulated vegetables	Acres	Value (\$ millions)
Greenhouse	Cucumbers, tomatoes, peppers, lettuce	745	\$245.75
Storage potatoes	New, russets, whites, reds, yellows, food service, other	3,856	\$30.1
Storage root vegetables	Yellow onions, green cabbage, parsnips, carrots, beets, rutabagas, turnips	1,537	\$17.9
Processing	Peas, beans, corn, broccoli, Brussels sprouts, cauliflower, strawberries	—	—

* Conventional production only

Source: BC Vegetable Marketing Commission

MARKET TRENDS

Greenhouse producers in BC have several competitive advantages, including: lower operating costs due to a moderate climate; a large variety of crops; developing new markets (e.g. mini cucumbers); and expanding production in to the United States (U.S.) to support a year-around supply of products for B.C. consumers. Other advantages include B.C.'s close proximity to Asian markets.

Storage and processing crop producers face challenges due to seasonal production, unpredictable weather that impacts quality and volume, high production expenses (e.g. land) versus low prices, and high volumes of lower-priced imports.

Storage crop producers plant cover crops to protect and enrich their soil during the off-season. Declining numbers of processors within B.C. are making it difficult for producers to find value-added processing for their cover crops, thereby decreasing their sales opportunities.

Some of B.C.'s vegetable greenhouse operations are converting to cannabis production, although exact numbers are currently unknown. The conversion of existing greenhouses can cost millions of dollars; however, the anticipated returns from the production of cannabis are deemed significant enough by businesses to make up for these costs.



Grape tomatoes growing in a greenhouse.
Photo: BC Vegetable Commission

INDUSTRY VALUE CHAIN

The majority of B.C.'s regulated vegetable producers market their crops through an agency, which are licenced by the Vegetable Commission. Agencies are licensed business entities with delegated legislated authority. The role of agencies is to harness the collective marketing power of B.C.'s vegetable farmers, by allowing them to pool their products and providing them with shared market access, thereby minimizing each individual producer's burden.

Some larger farmers are licenced to market their crops directly to retail, food service, and wholesalers. Smaller greenhouse farmers, with a production area less than 5,000 m², are also licenced to market their crops directly.

Farmers who market on-farm, or at farmers markets, do not require a licence if they are selling less than \$5,000 of regulated vegetables per year.



Potatoes in storage.

Photo: BC Vegetable Commission

TRADE & SUPPLY

B.C. imports more vegetables than it exports. In 2017, vegetable exports for B.C. totalled \$327 million, while imports totalled \$796 million.

The U.S. accounted for 95.5% of B.C. vegetable exports in 2017, up from 84.6% in 2013. Japan, France, the Netherlands, and Taiwan are the next biggest export markets. The U.S. is also the largest importer into B.C. In 2017, they accounted for 65% of imports, with Mexico accounting for 22%, and 9% from China.

GOVERNANCE

The Vegetable Commission is the first instance regulator under the *Natural Products Marketing (BC) Act* and the British Columbia Vegetable Scheme.

The Commission is responsible for orderly production and marketing through promoting and regulating the production, transportation, packaging, storage and marketing of vegetables.

The Commission sets minimum producer price for storage crops, regulates production volumes, has a leading position in establishing anti-dumping agreements, and plays an important role in food safety and quality.

There are four producer associations:

- BC Potato & Vegetable Growers Association
- British Columbia Strawberry Growers Association
- Fraser Valley Cole Crop Growers Association (broccoli, cauliflower, Brussels sprouts)
- Fraser Valley Processing Peas, Bush Beans & Corn Growers Association

The BC Farm Industry Review Board (BCFIRB) is responsible for ensuring the Commission meets its responsibilities in an effective, strategic, and accountable manner that results in sound marketing policy.

SOURCES

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BC Farm Industry Review Board

www.gov.bc.ca/BCFarmIndustryReviewBoard

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