

B.C. Regulated Vegetable Industry, 2022

QUICK FACTS 2020

- 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 per year of regulated vegetables and \$5,000 or more of regulated product per year must be licensed with the B.C. 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 table below).
- B.C.'s 59 greenhouse farmers used a total of 2.9 million square meters of greenhouse space. The average B.C. greenhouse farmer used 49,955 square meters.
- 90 storage and processing crop farmers grew 84,389 tons of produce. The average storage crop farm grew 893 tons of produce.
- In 2020, the regional distribution of vegetable producers in B.C. was as follows: 77% Lower Mainland, 19% Vancouver Island, 10% Interior, and 0% North.
- In 2020, the combined farm gate cash receipts of B.C.'s 149 vegetable producers was about \$416 million.
- B.C. is Canada's second largest greenhouse producer of peppers, tomatoes, and cucumbers, after Ontario.

MARKET TRENDS

Greenhouse producers in B.C. 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 and input costs) and pricing that is set based on the landed price on imports from competing growing regions.

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.

B.C.'s vegetable greenhouse industry continues to expand though some operations have converted to cannabis production. The conversion of existing greenhouses can cost millions of dollars; however, the anticipated returns from the production of cannabis appear significant enough for businesses to make up for these costs.

Regulated Vegetable Crops in B.C., Acreage and Value* (2020)

Crop type	Regulated vegetables	Acres	Value (\$ millions)
Greenhouse	Cucumbers, tomatoes, peppers, lettuce	745	\$245.8
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



Grape tomatoes growing in a greenhouse.

INDUSTRY VALUE CHAIN

B.C.'s regulated vegetable producers market their crops through designated agencies, 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 exceptions have been granted to producers licenced to market their crops under supervision of the Vegetable Commission directly to retail, food service, and wholesalers. Smaller greenhouse producers, 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 2019, vegetable exports for B.C. totalled \$398 million, while imports totalled \$824 million.

The U.S. accounted for 94.7% of B.C. vegetable exports in 2019. Japan, France, China and the Netherlands are the next biggest export markets. The U.S. is also the largest importer into B.C. In 2019, 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 a weekly minimum selling price for storage crops, regulates production volumes, has a leading position in establishing anti-dumping agreements and representing the industry in trade disputes, and plays an important role in food safety and quality.

There are four producer associations:

- B.C. 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 B.C. 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

BCFIRB. (2021) "BC Vegetable Marketing Commission Public Accountability and Reporting Project (PARP) Summary Reports for 2020" Retrieved from www2.gov.bc.ca/bcfirb

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**BC Farm Industry
Review Board**

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