



B.C. Food Expenditures in Health Care 2023/2024

About Feed BC

Feed BC is a provincial government partnership initiative led by the Ministry of Agriculture and Food to increase B.C. foods in public health care facilities, post-secondary institutions, kindergarten to grade 12 schools, and other government-supported facilities.

The objectives of Feed BC are to:

- **Support jobs and businesses** for B.C. food producers and processors.
- **Stimulate economic development** across B.C. communities.
- **Grow food supply** and food system resilience across the province.
- **Increase local food access** for public institutions' patients, students, residents, and workers.

Feed BC in Health Care

In B.C., five regional health authorities (Vancouver Coastal Health and Providence Health Care, Fraser Health, Island Health, Interior Health, and Northern Health) and the Provincial Health Services Authority are responsible for foodservices in 173 acute and long-term care facilities. Through Feed BC, the Ministry of Agriculture and Food and the Ministry of Health work in partnership with the provincial and regional health authorities to optimize health authorities' use of B.C. foods in health care.

Beginning in 2018/19, the Ministry of Health directed health authorities to report on the proportion of B.C. foods they purchase within total patient foodservice expenditures. Health authorities are encouraged to work towards Feed BC's aspirational goal of 30% of expenditures on B.C. foods.

Feed BC Definitions

B.C. food: A final product produced and/or processed in British Columbia (B.C.)

B.C. produced foods: Raw food products that are grown, caught, harvested, or raised in B.C.

B.C. processed food: Food products that have undergone at least one of the following activities:

- physical alterations (ex. chopping)
- extension of shelf life (ex. freezing)
- combining ingredients (ex. mixing salad greens)

Find more information about Feed BC's B.C. food definition [here](#)

Summary

This is the sixth annual report on B.C. food expenditure in health care. It summarizes B.C.'s six health authorities' 2023/24 fiscal year spending on B.C. food as a proportion of total food spending for acute and long-term care facilities. It highlights health authorities' 2023/24 successes and challenges sourcing B.C. foods and identifies future opportunities for B.C. foods in health care.

In 2023/24, health authorities reported spending an average of 28.7% of their total food expenditure on B.C. foods compared to 27.5% in 2022/23, 28.0% in 2021/22, 28.8% in 2021/20, 30.8% in 2019/20 and 27.3% in 2018/19. Notably, three health authorities exceeded the Feed BC aspirational target of 30% B.C. food expenditures.

Successes in B.C. food procurement for 2023/24 included:

- **Fraser Health (FH)** increased their B.C. food spending by 4.5% (from 26.5% to 31.0%), supported by in-house management and regional menu templates. FH continued working with B.C. food suppliers to develop products for health care.
- **Interior Health (IH)** raised their B.C. food spend to 33.0% through increased output from their production kitchens in Penticton and Vernon, which also supply entrees to both Northern Health and Island Health.
- **Provincial Health Services (PHSA)** continued to have a high B.C. food spend (34.4%) through direct sourcing of produce and proteins from local vendors, which is allowed within their new procurement agreement. PHSA also sourced salmon from a local company that works with Indigenous fishers.
- **Northern Health (NH)** continued to make year-over-year increases in their B.C. food purchasing by adding more entrees from Interior Health's production kitchens and soups through Fraser Health's work with a local food processor.
- **Vancouver Coastal Health (VCH) and Providence Health Care (PCH)** focused on stabilizing operations following transitions to in-house foodservice staffing and a new procurement arrangement. In 2024, new product testing and menu changes began which are anticipated to raise their 2024/25 B.C. food spend.
- **Island Health (IsH)** was able to continue sourcing meat and fruits and vegetables from local companies, even as they transitioned to a new procurement agreement.

Opportunities Looking Forward

In 2023/24 annual reporting, health authorities identified the following opportunities to continue procuring and using more B.C. foods in B.C. health care:

- As of October 2023, all health authorities gained back direct control over all food procurement decision-making as province-wide health care foodservices shifted to in-house management. Following a period transitioning to in-house operations and stabilizing, health authorities are now well positioned to undertake menu and recipe development, including featuring B.C. products.
- As of November 2024, all health authorities are covered by a common food procurement agreement with Aramark. They now have access to the same food suppliers through working with the same food distributor, Sysco. They are looking forward to exploring how group purchasing power can influence what B.C. products become available to them through these agreements.
- Health authorities are also still able to source directly from local food suppliers where it is logistically feasible, independent of current procurement agreements with Aramark and Sysco, which does allow for some flexibility in food purchase decision-making processes.
- Health authorities would like to see distributors improve the identification of B.C. products in their food ordering systems to facilitate accurate annual reporting and better support their efforts to continue to source more B.C. food.
- Health authorities are willing to explore how aggregating demand for products they would like to purchase across all health authorities could improve the business case for both distributors and B.C. food suppliers to provide more B.C. products for health care.
- Fraser Health and Interior Health are particularly active in working with B.C. food suppliers to develop food products that meet health care needs. Other health authorities have also expressed interest in working with local food processors to develop new products that meet the special nutritional, allergen, and texture specifications, and packaging requirements of health care foodservices. Health authorities sharing information with each other about which B.C. products are working in their facilities continues to plan an important role in increasing B.C. food in health care.

- Health authorities are increasingly applying an environmental sustainability lens to food procurement decision-making. Products with smaller carbon footprints (plant-based, less packaging waste, fewer transportation miles to reach sites) will be in demand.
- Health authorities are looking to offer more culturally diverse food and nutritious comfort food to increase patient satisfaction, encourage optimal intake, and reduce food waste. They have demonstrated particular willingness for pricing flexibility for products that help to meet these objectives.
- Health authorities want to contribute to the growth and success of local businesses, including Indigenous businesses, and to have positive social impact. Health authorities outside the Lower Mainland want to invest in their regional communities and seek out businesses that are local to their regions.
- Pricing will continue to be a key consideration when health authorities make food procurement decisions. However, health authorities have demonstrated a strong willingness to work out mutually viable pricing with B.C. food suppliers for B.C. products that meet healthcare's quality (food safety) and nutrition requirements, environmental impact goals, and patient satisfaction objectives.

2023/24 Provincial Results

Health Authority	#Sites Reporting/ #Sites	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
Fraser Health (FH)	22	31.0%	26.5%	29.3%	29.0%	29.0%	27.7%
Interior Health (IH)	55	33.0%	25.6%	28.2%	29.1%	35.5%	30.9%
Island Health (IsH)	28	26.9%	30.4%	28.8%	30.4%	29.9%	27.2%
Northern Health (NH)	27	25.8%	24.8%	22.5%	22.1%	22.4%	23.1%
Provincial Health Services Authority (PHSA)	6	34.4%	37.8%	28.5%	29.4%	32.7%	26.1%
Providence Health Care (PHC) ¹	6/8 ²	21.2%					
Vancouver Coastal Health (VCH)	27	26.8%					
VCH+PHC	33/35	25.4%	28.2%	28.7%	30.0%	33.1%	26.2%
Total Facilities/ Provincial %	171/173	28.7%	27.5%	28.0%	28.8%	30.8%	27.3%

¹ PHC reported separately from VCH for the first time for the 2023/24 fiscal year. PHC is an affiliate of VCH which is why both combined annual expenditure tracking in previous years. Their reporting results are presented here individually and as a combined figure to support to support comparisons to previous years.

² St. Vincent's - Honoria Conway remains under contract to Compass Marquis until 2026 and information on food spends is not available for this site. Additionally, PHC does not collect food spend data from May's Place Hospice due to its small size (6 beds).

Fraser Health (FH)

% B.C. of Total Food Spend	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
	31.0%	26.5%	29.3%	29.0%	29.0%	27.7%

CATEGORY	% B.C. WITHIN CATEGORY	% B.C. OF TOTAL 2023/24 SPEND
Baked Goods	56.1%	5.2%
Beverages	10.7%	1.2%
Dairy	57.6%	12.0%
Produce	30.2%	4.1%
Grocery	15.1%	3.1%
Protein	22.2%	5.3%
	TOTAL	31.0%

FH Successes & Challenges in 2023/24

For 2023/24, Fraser Health reported on local food procurement for patient foodservices in 22 acute care and long-term care facilities, as well as for retail foodservices in ten hospitals. Their B.C. food spend was 31.0% in 2023/24, an increase from previous years, and was largely due to the transfer of foodservices previously provided by contracted companies.

As in previous years, the high cost of food was a major challenge for B.C. food procurement. However, Fraser Health used more expensive local food products in some instances, for example tofu, Halal entrees and South Asian entrees. Supply chain issues continued to be a challenge. Many items were not available, orders were shorted, and substitutions were common. For example, some dairy products were difficult to source in the volumes needed. Staffing shortages also continued to be problematic for both the health authority (e.g., line cooks) and for suppliers (e.g., drivers).

Fraser Health has always tried to buy local food when possible and in 2023/24 continued to work successfully with a local soup processor to ensure their products meet quality, consistency, and nutritional requirements for health care. For example, they now use six soups and four cereals in patient foodservices, as well as four soups in their retail operations. Fraser Health has taken on a culinary lead for patient foodservices and for retail foodservices who is responsible for recipe development and menu enhancement, which may lead to more opportunities for increased use of B.C. foods, particularly through the retail operations, which do have the same qualities as products for patient food services.

Planetary health is a health authority-wide priority. In 2024/25, Fraser Health is trialling at Royal Columbia Hospital a yogurt from a B.C. company which has a low carbon footprint, as it is plant-based and available in bulk in reusable containers that the vendor takes back.

Interior Health (IH)

% B.C. of Total Food Spend	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
	33.0%	25.6%	28.2%	29.1%	35.5%	30.9%

CATEGORY	% B.C. WITHIN CATEGORY	% B.C. OF TOTAL 2023/24 SPEND
Baked Goods	50.1%	4.9%
Beverages	12.6%	1.2%
Dairy	40.0%	6.4%
Produce	35.8%	5.0%
Grocery	20.6%	5.1%
Protein	40.3%	10.4%
TOTAL		33.0%

IH Successes & Challenges in 2023/24

In 2023/24, Interior Health's 55 acute and long-term care facilities procured 33.0% of food for their patient and retail foodservices from B.C. producers and processors, an increase from 25.6% in 2022/23. Interior Health has production kitchens in Penticton and Vernon that sell to Interior Health, Northern Health and Island Health through their distributor, Sysco Kelowna. The notable increase in their B.C. food spend was largely due to increased output from their production kitchens to create sufficient inventory to cover the period when the Vernon production kitchen would be under renovation. Some of the biggest sellers are meatloaf, cabbage rolls and pork cutlets in onion sauce. Recently, they have added more diverse entrees such as Greek chicken pasta, chicken/chorizo jambalaya, and butter chicken.

Containing food costs continues to be a challenge for Interior Health. The cost of raw products used by the production kitchens increased on average by about 23% over the previous year. To reduce food costs, they choose less expensive comparable items such as egg-based products from Ontario. They also offer more expensive prepared entrees (chicken cordon bleu, roast dinner) less frequently in the monthly menu cycle. They are considering consolidating their coffee purchasing with a health authority-wide agreement with a non-B.C. company for hospital cafeterias that will

result in significant cost savings and potentially allow for more purchases of B.C. foods.

Staff shortages throughout the health authority and scheduling difficulties are ongoing challenges. When work shifts are not filled in advance, it is not possible to forward plan for the preparation of soups and casseroles, so more sites are choosing ready-made products from the production kitchens.

Interior Health continues to face challenges using new products from small local companies that can't meet Sysco's volume and other requirements to be listed. However, in 2023/24, Interior Health launched new Asian-style sauces through Sysco. In the future, Interior Health plans to test the four soups from a B.C. processor used by other health authorities and more frozen vegetables from a B.C. processor.

Island Health (IsH)

% B.C. of Total Food Spend	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
	26.9%	30.4%	28.8%	30.4%	29.9%	27.2%

CATEGORY	% B.C. WITHIN CATEGORY	% B.C. OF TOTAL 2023/24 SPEND
Baked Goods	77.3%	2.3%
Beverages	1.0%	0.1%
Dairy	30.8%	5.6%
Produce	61.5%	5.2%
Grocery	8.2%	3.0%
Protein	40.5%	10.7%
TOTAL		26.9%

IsH Successes & Challenges in 2023/24

B.C. food procurement by Island Health's 28 facilities was 26.9% in 2023-24, a decrease from 30.4% in 2022/23. In April 2023, Island Health transitioned to Aramark as their GPO and to Sysco as their distributor. The decrease in spending on B.C. food from the previous year is largely explained by the operational issues resulting from the shift to the new food procurement arrangement. Island Health expects their B.C. food spends to return to go back up in 2024/25.

High food costs continue to be a challenge. Island Health did not remove any B.C. items due to cost; however, cost could be a barrier to adding new B.C. items to their menus in the future. There were some product shortages in 2023/24, which primarily affected the South Island hospitals that use prepared entrees and soups. These shortages were minor compared to those experienced during the pandemic.

Transition of their food services in-house (completed in 2022/23) has enhanced their ability to buy more local food through increased purchasing power and oversight. Island Health will also be working with their sites to ensure that they are following the order guide and sourcing from preferred Island providers of items such as fresh

produce and meat cuts. New B.C. items in 2023/24 were soups, shredded cheese and liquid egg products.

In the future, Island Health will be working on new soups, as well as vegetarian, vegan, and culturally appropriate menu items from a B.C. food processor and recipes using B.C. made Chinese cooking sauces. They are developing a new seven-day acute care menu for all sites. The menu will feature more culturally relevant foods and Indigenous foods and potentially Island-sourced fish.

Island Health is still exploring the possibility of having their own production kitchen to build supply chain resilience and to have control over prepared items. Island Health is also interested in aggregating the requirements for low volume shelf stable items across health authorities and stocked at Sysco Vancouver if they can receive the items in a timely manner to increase local purchasing.

Northern Health (NH)

% B.C. of Total Food Spend	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
	25.8%	24.8%	22.5%	22.1%	22.4%	23.1%

CATEGORY	% B.C. WITHIN CATEGORY	% B.C. OF TOTAL 2023/24 SPEND
Baked Goods	39.5%	3.7%
Beverages	28.9%	1.6%
Dairy	38.9%	4.1%
Produce	34.8%	7.9%
Grocery	3.0%	0.7%
Protein	27.6%	7.7%
TOTAL		25.8%

NH Successes & Challenges in 2023/24

B.C. food procurement by Northern Health's 27 facilities was 25.8% in 2023/24, up from 24.8% in 2022/23. The increase was attributed to adding four new B.C. products to the menu and a new menu item from Interior Health's production kitchen; as well as switching to a B.C. supplier for diced carrots and peas. Quality is the deciding factor in choosing B.C. products. Supply chain issues experienced in past years have largely been resolved.

Northern Health continues to investigate other foods that are produced or processed in the North. They switched to shell eggs from a farm in Terrace in 2021/22, and in 2022/23 started using locally produced freeze-dried haskap berries in baking (muffins, scones). They have approached Sysco Kelowna about stocking haskap berries, thereby making this northern B.C. product more widely available to other health authorities. This year, Northern Health also started a partnership with an Indigenous owned and operated business that supplies salmon to Gitlaxt'aamiks Village (New Aiyansh - near Terrace) and surrounding communities. Northern Health is hoping to purchase the salmon for use by northwest sites with the longer-term goal of supplying all sites in upcoming seasons. There is strong support from the health authority executive and

environmental health officers to implement this project because it supports local communities.

In 2024/25, Northern Health will be adding two new B.C. products to their menus – a plant-based ravioli from a local supplier and cabbage casserole from Interior Health’s production kitchen. They will also switch to B.C. produced brioche buns from a non-B.C. product. Northern Health will also switch to a B.C. supplier that works with Indigenous fishers for some salmon. Northern Health is looking for more opportunities to aggregate their requirements with Interior Health’s to allow more B.C. foods to be listed by Sysco.

Vancouver Coastal Health (VCH) and Providence Health Care (PHC)

% B.C. of Total Food Spend	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
VCH	26.8%					
PHC	21.2%					
VCH and PHC combined (C-VCH/PHC)	25.4%	28.2%	28.7%	30.0%	33.1%	26.2%

CATEGORY	% B.C. WITHIN CATEGORY			% B.C. OF TOTAL 2023/24 SPEND		
	VCH	PHC	C-VCH/PHC	VCH	PHC	C-VCH/PHC
Baked Goods	55.1%	52.8%	54.6%	3.3%	2.5%	3.1%
Beverages	5.7%	3.0%	5.2%	0.5%	0.2%	0.4%
Dairy	71.1%	55.0%	65.3%	8.4%	10.8%	9.0%
Produce	21.5%	6.0%	17.9%	3.9%	1.0%	3.2%
Grocery	3.2%	0.8%	2.5%	0.8%	0.2%	0.6%
Protein	31.5%	30.6%	31.4%	9.8%	6.4%	9.0%
TOTAL	26.8%			21.2%		25.4%

VCH and PHC Successes & Challenges in 2023/24

In 2023/24, local food spending information was provided for Vancouver Coastal Health and Providence Health Care separately.

Vancouver Coastal Health's 27 acute and long-term care facilities procured 26.8% of the food for their patient and retail foodservices from B.C. producers and processors; and PHC's six acute and long-term care facilities procured 21.2%. On a combined level, local food spends for 2023/24 were 25.4%.

Vancouver Coastal Health's contract for foodservices expired December 31, 2023, although staff transitioned to the health authority earlier throughout 2022 and 2023. Due to the significant supply chain transition, Vancouver Coastal Health tried to

maintain similar food products based on the same menu and did not place a big focus on procuring local products through most of 23/24 as they tried to stabilize operations.

Vancouver Coastal Health is especially interested in local products that support planetary health as a strategic priority. In 2023/24, they conducted a planetary health menu pilot project that developed and served new recipes using plant-based products with lower carbon footprints from a local food processor, including plant-based crumbles and burgers. They are now working to scale up these products which were well accepted by patients and spread the recipes across all sites. They also sourced steelhead trout from a local fishery on Vancouver Island and are looking to trial locally produced plant-based yogurt and milk. They have moved back to using B.C. liquid eggs and this will have a positive impact on their B.C. spend for next fiscal year.

As with Vancouver Coastal Health, Providence Health Care transitioned to the provincial food procurement contract effective January 1, 2024. Their focus was also on stabilizing operations, therefore local food procurement was not a priority until late in the fiscal year. They moved to a local coffee supplier in June 2024. A local vegan bakery now provides products for their retail service. Providence Health Care expects that their efforts to source more local food will show in their 2024/25 report.

Providence Health Care is working with all health authorities to develop procurement guidelines that set expectations for vendors. The procurement guidelines will give priority to foods that come from socially responsible vendors, are local, Indigenous, and climate friendly.

Provincial Health Services Authority (PHSA)

% B.C. of Total Food Spend	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
	34.4%	37.8% ³	28.5%	29.4%	32.7%	26.1%

CATEGORY	% B.C. WITHIN CATEGORY	% B.C. OF TOTAL 2023/24 SPEND
Baked Goods	62.3%	5.7%
Beverages	13.8%	0.7%
Dairy	73.3%	10.4%
Produce	24.6%	4.1%
Grocery	16.4%	4.8%
Protein	34.1%	8.6%
TOTAL		34.4%

PHSA Successes & Challenges in 2023/24

Provincial Health Service Authority report covers food purchasing for their Inter-Campus Operations (BC Children's, BC Women's, BC Cancer Agency and Brock Fahrni), Red Fish Healing Centre and BC Forensic Psychiatric Hospital. In 2023/24, their B.C. food spend was 34.4%. A comparison to the previous year cannot be made because the Inter-Campus Operations information was not available from their contracted food service provider. PHSA has now onboarded to the Aramark procurement agreement and use Sysco Vancouver as their distributor.

Red Fish Healing Centre and BC Forensic Psychiatric Hospital typically scratch-cook using many B.C. food suppliers including local produce and proteins. These facilities also typically use large quantities of local milk and bread. Similarly, Inter-Campus operations cook from scratch for about half of their foodservice and buy locally for produce and proteins where possible. PHSA preferentially sources salmon from a local company that works with to seven First Nations, despite its higher cost. This local

³ PHSA reporting in 2022/23 did not include food spends from four facilities operated by Compass Morrison (representing approximately 60% of the total food spend for the health authority).

salmon is 100% Indigenous caught and processed and was preferred by patients to salmon coming from Asia.

PHSA has found that the *From the Ground Up* trade show and the Ministry of Agriculture and Food's *Pitch and Plate* sessions are helpful in connecting them to B.C. companies. Inter-Campus operations has started using soups from a local company and are looking into a local yogurt provider. However, working with small business is sometimes a challenge due to product cost, volume requirements and transportation logistics. Inter-Campus Operations has also experienced shortages of many products from their distributor. Food inflation continues to be a challenge for PHSA.

Going forward, Inter-Campus Operations will focus on procuring more culturally relevant food and comfort food to increase patient satisfaction, encourage optimal intake and reduce food waste. Next year, Red Fish Healing Centre and BC Forensic Psychiatric Hospital will use the same menu which has the potential to increase their B.C. food spending. They will also focus on sourcing more products from Indigenous owned and operated companies and would be interested in introducing these products to other health authorities and ultimately Aramark. PHSA believes that they are well positioned to test new B.C. products and share the results with other health authorities. Their hope is that aggregating the volumes needed by all health authorities could lead to better prices for the products.

Conclusion

In 2023/24, through significant organizational changes to foodservices operations in four of six health authorities, health authorities continued to collectively shift an additional 1.2% of their total food spending to purchasing more B.C. foods. This is a significant B.C. local food accomplishment that Feed BC recognizes and celebrates.

Covid pandemic restrictions and the associated food supply chain issues no longer presented the time-consuming challenges in 2023/24 that they did in previous years. However, health authorities faced significantly higher food costs in 2023/24. While higher food costs present real challenges, health authorities continued to prioritize B.C. products when making their purchasing decisions as long as the products met price, quality, and nutrition guidelines. Health authorities worked in different ways with B.C. food suppliers to develop new products that meet health sector's needs.

The transition to in-house foodservice management is now largely complete and, for the most part, staffing and operations are stabilizing. Health authorities are now better able to focus resources on identifying and testing new products that meet operational requirements, patient satisfaction (culturally relevant and nutritious comfort foods), and environmental sustainability goals. This offers opportunities for B.C. food suppliers with products that can help health authorities to meet their needs and goals.

Now that all health authorities are covered by the same provincial food procurement agreement, they are better positioned to aggregate order volumes for B.C. products they are interested in, potentially improving the business case for distributors to carry these products. Health authorities would like distributors and suppliers to make provincial-level product origin information better available in ordering systems to assist with meeting sourcing and reporting commitments. They are also increasingly sharing B.C. product information directly with each other and anticipate more product information sharing will happen in the coming years.

Health authorities recognize the value of providing B.C. food to their patients and residents and of supporting local B.C. food systems and communities. They continue to share Feed BC's goals, champion sourcing and using B.C. foods, and play an important role in B.C.'s provincial food system.