

Manitoba Agriculture

Agriculture Manitoba

**Annual Report
2017-2018**

**Rapport Annuel
2017-2018**



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Minister of Agriculture

Room 165
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Her Honour the Honourable Janice Filmon, C. M., O. M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg MB R3C 0V8

May it Please Your Honour:

It is my privilege to present for the information of Your Honour, the Annual Report of
Manitoba Agriculture for the fiscal year ending March 31, 2018.

Respectfully submitted,

Original signed by

Honourable Ralph Eichler
Minister of Agriculture





Ministre de l'Agriculture

Bureau 165
Palais législatif
Winnipeg (Manitoba)
R3C 0V8

Son Honneur l'honorable Janice Filmon, C.M., O.M.
Lieutenant-gouverneure du Manitoba
Palais législatif, bureau 235
Winnipeg (Manitoba) R3C 0V8

Madame la Lieutenant-Gouverneure,

J'ai le privilège de présenter à Votre Honneur le rapport annuel du ministère de l'Agriculture pour l'exercice terminé le 31 mars 2018.

Le tout respectueusement soumis.

Le ministre de l'Agriculture,

« *Original signé par Ralph Eichler* »

Ralph Eichler





Agriculture

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Honourable Ralph Eichler
Minister of Agriculture
Province of Manitoba

Sir,

I am pleased to present the 2017/18 Annual Report of the Department of Agriculture for the fiscal year ending March 31, 2018.

The five-year Federal-Provincial-Territorial initiative, Growing Forward 2, concluded with funding provided to over 2,000 projects with investments of \$176 million in Manitoba in areas of innovation, competitiveness, environmental sustainability and market development in the agriculture and agrifood industry. The next agricultural policy framework; the Canadian Agricultural Partnership, has been implemented and will build upon this success with greater investment in research and innovation to build a robust research capacity, focussing on areas of priority for Manitoba.

The agriculture and agrifood processing sectors are key drivers in Manitoba, providing economic growth, employment, and supporting other sectors of Manitoba's economy such as transportation and manufacturing. The department works to position Manitoba as a dependable sustainable supplier of meat and plant-derived protein-based products to supply the growing global demand. Manitoba reported \$716 million in investments and 417 jobs in incremental employment in the food and agriproduct processing sectors.

In support of our thriving livestock industry, Manitoba Agriculture conducted consultations focused on modernizing our agricultural Crown lands (ACL) program. We also continue to collaborate with our partners to further the Climate and Green Plan that highlights the potential for agriculture to contribute to the provincial goals of reducing greenhouse gas emissions, sequestering carbon in soils, and enhancing our agro-ecosystems.

We concluded this fiscal year with the development of 2018-2022 Strategic Direction aligned with and guided by the government priorities. As we advance transformation initiatives and move towards the implementation of the Balanced Scorecard by government, the department strives to transform our culture and work for the betterment of Manitobans.

Respectfully submitted,

Original signed by

Dori Gingera-Beauchemin
Deputy Minister of Agriculture





Agriculture

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Monsieur Ralph Eichler
Ministre de l'Agriculture
Gouvernement du Manitoba

Monsieur le Ministre,

J'ai l'honneur de vous présenter le rapport annuel 2017-2018 du ministère de l'Agriculture pour l'exercice terminé le 31 mars 2018.

L'initiative fédérale, provinciale et territoriale d'une durée de cinq ans, Cultivons l'avenir 2, est arrivée à son terme. Dans le cadre de cette initiative, du financement a été fourni à plus de 2 000 projets et des investissements de 176 millions de dollars ont été réalisés dans les secteurs de l'agriculture et de l'agroalimentaire au Manitoba. Ces investissements visaient l'innovation, la compétitivité, la durabilité environnementale et le développement des marchés. Le prochain cadre stratégique pour l'agriculture, Partenariat canadien pour l'agriculture, a été mis en œuvre et mettra à profit ces réussites en faisant des investissements plus élevés en recherche et en innovation. L'objectif est de bâtir de vigoureuses capacités de recherches qui mettent l'accent sur les domaines prioritaires pour le Manitoba.

Les secteurs de l'agriculture et de la transformation agroalimentaire sont des moteurs essentiels au Manitoba : ils aident à la croissance économique, à l'emploi et à l'appui d'autres secteurs de l'économie manitobaine comme le transport et la fabrication. Le ministère travaille à faire du Manitoba un fournisseur durable et fiable de produits à base de protéines végétales et animales afin de répondre à la demande mondiale en croissance. Le Manitoba a déclaré des investissements de 716 millions de dollars et 417 emplois supplémentaires dans les secteurs de la transformation des aliments et des produits agricoles.

Pour appuyer notre industrie du bétail florissante, Agriculture Manitoba a mené des consultations axées sur la modernisation de notre programme de terres domaniales agricoles. Nous continuons aussi à travailler à la réalisation du Plan vert et climatique en collaboration avec nos partenaires. Ce plan met en exergue la capacité de l'agriculture à contribuer aux objectifs provinciaux de réduction des émissions de gaz à effet de serre, de séquestration de carbone dans les sols et d'amélioration de nos agroécosystèmes.

Nous avons conclu cet exercice en élaborant l'orientation stratégique 2018-2022 qui est guidée par les priorités du gouvernement et harmonisée avec celles-ci. À mesure que nous favorisons des initiatives de transformation et que nous nous dirigeons vers la mise en œuvre par le gouvernement des tableaux de bord équilibrés, le ministère vise à transformer notre culture et à travailler à implanter des améliorations pour les Manitobains.

Le tout respectueusement soumis.

La sous-ministre de l'Agriculture,

Original signé par

Dori Gingera-Beauchemin



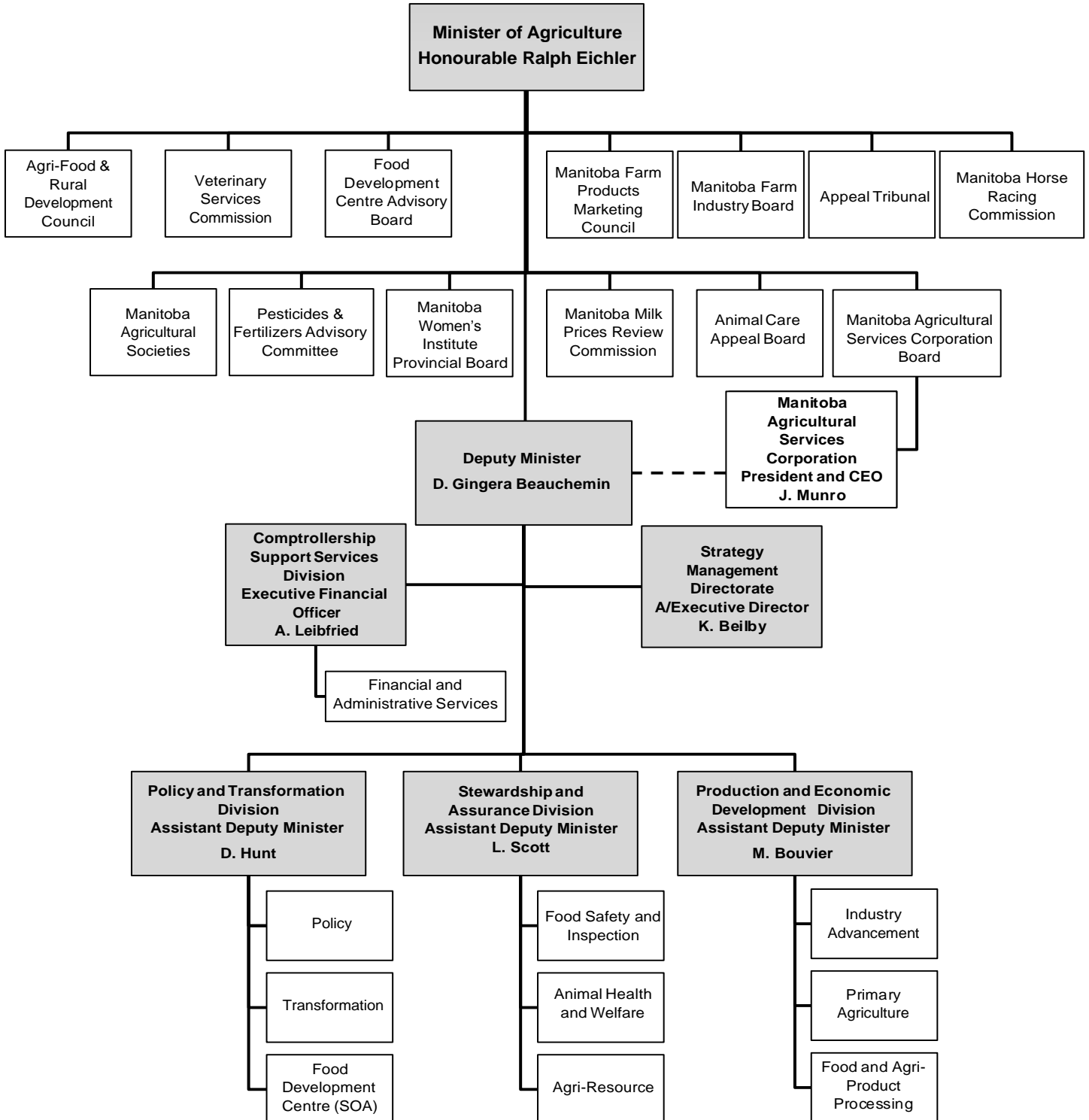
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Organization Chart

(The structure of the department as of March 31, 2018)



Preface

Report Structure

This Annual Report provides information on the department's objectives, results achieved, financial performance and variances for the 2017/18 fiscal year and provides a five-year historical table giving the departmental expenditures and staffing. The report is divided into two major sections:

- **Section One** includes Part A – Program Narrative and Financial Information – and Part B – Capital Investments, which are organized in accordance with the departmental appropriation structure. Other reporting under this section includes sustainable development activities.
- **Section Two** contains all appendices such as summary financial tables, performance reporting, information on The Public Interest Disclosure (Whistleblower Protection) Act and Regulatory Accountability and Red Tape Reduction reporting. Expenditures and revenue variance explanations are provided in this annual report.

Vision and Mission

Our Vision

Agriculture, agri-food and agri-product sector will be a key economic driver for Manitoba.

Our Mandate

Manitoba Agriculture creates the environment that accelerates growth in the agriculture, agri-food and agri-product sector.

Our Values and Beliefs

- Farmers/landowners play a key role in maintaining and supporting healthy agro-ecosystems.
- Only through mutually beneficial partnerships with industry, communities, stakeholders and other departments and levels of government will we achieve our goals.
- A prosperous rural Manitoba is fundamental to the Manitoba economy.
- Innovative and action-oriented approaches are key to success and we are prepared to take informed risks.
- Embracing the principles of lean management/continuous improvement will enhance client service and ensure effective use of resources.
- We invest in people, encourage an inclusive approach and respect diversity to maximize achievement of results.

Areas of Focus

Primary Agriculture Industry Development

- Extend technical information to support farmers and industry in making informed business decisions.

- Provide financial and non-financial risk management tools to manage weather-related and market risk.
- Provide financing tools for agricultural industries.
- Support sustainable management of the agro-ecosystem.
- Increase the ability of crop and livestock production to adapt to a changing climate.
- Support new value, increased competitiveness and sustainable development to enhance sector profitability.
- Improve market access and competitiveness.
- Increase the capacity of agricultural organizations to drive economic development.

Agri-Food and Agri-Product Development

- Grow small and medium-sized agri-food and agri-product businesses.
- Retain and attract large agri-food and agri-product processors.
- Advance agri-food industry development and food safety practices.
- Capitalize on strategic strength in functional foods and nutraceuticals.
- Assist industry in deriving increased values and jobs from agricultural production.

Protection of Human, Animal and Plant Health

- Provide a regulatory and enforcement framework to support:
 - Human, animal and plant health.
 - Agriculture, agri-food and agri-product industries' competitiveness.

2017/18 Highlights

Manitoba's agriculture, agri-food and agri-product sector continues to show economic growth, contributing to the province's gross domestic product (GDP). Total provincial GDP grew 2.9 per cent for 2017 while primary agriculture grew 8.9 per cent and food and beverage manufacturing grew 2.2 per cent. In 2017, primary agriculture represented 3.9 per cent of Manitoba's GDP while food and beverage manufacturing was 2.0 per cent.

Manitoba reported \$716M in investments and 417 jobs in incremental employment in the **food and agriproduct processing sector**. Contributions to growth in this sector are from investments including;

- Simplot's \$460M **potato processing expansion**, which will result in 87 new jobs, increased production capacity and potatoes required.
- HyLife's **pork processing expansion** of \$150M which resulted in 225 new jobs at the company's processing facility, hog barns and feed mills. This expansion has increased processing capacity by 15 per cent.
- Manitoba Dairy Ingredients' **dairy product facility** of \$100M will result in 67 new jobs and increase our processing capacity.
- Floating Leaf Fine Foods, a **wild rice processor**, is anticipating \$500,000 in incremental revenue over a two-year period, as a result of participating in Manitoba Agriculture's tradeshow program.
- Warburton Foods Ltd, a bakery business was awarded \$270,000 from the Grain

Innovation Hub (GIH) program to research the use of fermented doughs for formulating bakery products containing wheat and pulse flour.

In 2017, Manitoba exported almost \$6.0 billion worth of agriculture and agri-food products to 140 countries and imported over \$1.4 billion of these products.

World demand for protein is increasing and the department has engaged in strategic initiatives to support the economic growth of plant and animal proteins in Manitoba. The department hosted the **Protein Highway Initiative** Advisory Council meeting, which had Canadian Prairie provinces and the United States Great Plains region in attendance. Manitoba Agriculture has established a connection to the **federal supercluster activity** with Protein Industries Canada (PIC), as it moves forward with industry and other provincial jurisdictions to research and develop protein opportunities. The department has and continues to provide support to companies such as **Roquette**, to source sustainable grown peas in Manitoba in order to meet customers' demands in food, nutrition and health markets.

The **livestock industry** continues to see growth with a 7.0 per cent and 5.6 per cent increase for beef and dairy respectively. The total cattle sector was up by 1.0 per cent to 1.06 million head. The department continues to focus on building a strong and viable platform for growth to support the record high levels reported. The hog industry grew by 150,000 head, the largest increase in Canada to 3.49 million head. Manitoba's sheep and lamb sector grew 14.8 per cent to a record high level of 93,000 head.

Under **Growing Forward 2 (GF2)**, the department concluded activities in over 2000 projects that were funded by the \$176M federal and provincial five-year investment. GF2 created the environment that: encouraged innovation; competitiveness and market development; and adaptability and industry sustainability through provision of resources, tools and funding to producers, agriprocessors and agriculture organizations. During 2017/18 Manitoba Agriculture worked on developing and transitioning from the GF2 framework to the **Canadian Agricultural Partnership (CAP) – Ag Action Manitoba**. To drive growth, the new programming has a client centric focus targeting the six priority areas, which include:

- Markets and Trade
- Science, Research and Innovation
- Value-Added Agriculture and Agri-Food Processing
- Environmental Sustainability and Climate Change
- Risk Management
- Public Trust

In collaboration with Growth, Enterprise and Trade (GET), Agriculture and Agri-Food Canada (AAFC) and Global Affairs Canada, the department stays abreast of the agriculture related developments in the **North American Free Trade Agreement, Comprehensive and Progressive Agreement for Trans Pacific Partnership, Canada-Mercosur Free Trade Agreement** and **Pacific Alliance Free Trade Agreement** negotiations. The department continues to engage in trade advocacy with

state-level counterparts from the United States and Mexico through participation and leadership of the **Tri-National Agricultural Accord** and the **Legislative Agricultural Chairs Summit**.

Grain transportation services and infrastructure, including rail, ports and roads, are critical supply chain components necessary in serving export markets on which Manitoba depends. Rail disruptions in early 2018 confirmed that implementation of the **Transportation Modernization Act** was necessary. Efforts by industry stakeholders, including Manitoba, to seek a better footing for shippers through federal legislation helped secure Canada's reputation as a reliable exporter of quality agricultural products. Manitoba continues to monitor grain transportation performance as shippers begin to access new legislative provisions and as crop production continues to increase.

The department initiated modernization of the **Agricultural Crown Lands (ACL) Program** as part of the response to the New West Partnership Agreement. Stakeholder engagement was the first step and policy development activities are following. Two regulations were consolidated into a unified **Agricultural Crown Lands Leases and Permits Regulation**. This new regulation has enabled modernization through subsequent policy development. Manitoba Agriculture is in the process of reforming and streamlining the allocation and rental fee determinations of ACL.

Manitoba Agriculture worked to further the goals of the **Made-in-Manitoba Climate and Green Plan** through a number of initiatives. Water management, biodiversity and climate change priorities were addressed by numerous knowledge and technology transfer events as well as programming to provide financial support to farmers for adoption of beneficial management practices (BMPs). Specifically, the department provided funding through the **Growing Assurance – Ecological Goods and Services Program**, developed the **Sustainable Agriculture Incentives Program**, and is working with the department of Sustainable Development on the development of the **GROWing Outcomes for Watersheds (GROW) program**.

Manitoba Agricultural Services Corporation (MASC) administered a total **direct loan** and **loan guarantee** portfolio that facilitated \$1.02 billion of credit to 3,000 farm operations and rural businesses. Through MASC's Direct Loan program, \$223.8M in new loans including \$41M for the purchase/retention of feeder cattle were provided.

To maintain industry sustainability and competitiveness, the department continues to play a key role in **protecting human, animal and plant health**. Department staff responded to the largest provincially reportable disease outbreak in Manitoba history having 80 positive farms confirmed for Porcine Epidemic Diarrhoea Virus (PEDv). Industry, government and private veterinarians worked collaboratively in order to manage this disease and contain the area of the positive cases. The significant amount of surveillance, investigation and follow up undertaken helped to inform the **PEDv response** in 2018 and to more effectively manage risk.

The department has and continues to promote and enhance trusted assurance and verification systems in place to support **public trust** efforts including:

- The transitioning of on-farm poultry breeder flock premise inspection and testing programs to industry.
- Auditing on-farm premises inspection conducted by Dairy Farmers of Manitoba (DFM).
- Supporting Manitoba Beef Producers (MBP) to increase the number of beef producers to meet minimum sustainability standards through delivery of Verified Beef Program (VBP).

Préface

Structure du rapport

Le présent rapport annuel fournit de l'information sur les objectifs du ministère, les résultats atteints, les résultats financiers et les écarts pour l'exercice 2017-2018, et fournit un tableau des dépenses et de l'effectif du ministère pour les cinq derniers exercices. Le rapport est divisé en deux sections principales :

- La **section un** comprend la partie A, Programmes et renseignements financiers, et la partie B, Investissements en immobilisations, qui sont organisées conformément à la structure de crédits du ministère. Les autres rapports présentés dans cette section comprennent les activités de développement durable.
- La **section deux** contient toutes les annexes telles que les tableaux financiers sommaires, les rapports sur le rendement, des renseignements sur la Loi sur les divulgations faites dans l'intérêt public (protection des divulgateurs d'actes répréhensibles) et les rapports sur la responsabilisation en matière de réglementation et la réduction des formalités administratives.

Les explications relatives aux écarts budgétaires en matière de dépenses et de revenus sont présentées dans ce rapport annuel.

Vision et mission

Notre vision

Le secteur de l'agriculture, de l'agroalimentaire et des produits agricoles sera un moteur économique clé pour le Manitoba.

Notre mandat

Agriculture Manitoba crée les conditions qui permettent d'accélérer la croissance du secteur de l'agriculture, de l'agroalimentaire et des produits agricoles.

Nos valeurs et nos croyances

- Les producteurs agricoles et les propriétaires de terres jouent un rôle clé dans le maintien et le soutien d'agroécosystèmes en santé.
- La réalisation de la vision et des objectifs du Manitoba passe par des partenariats mutuellement avantageux avec l'industrie, les collectivités, les intervenants, les autres ministères et les autres ordres de gouvernement.
- La prospérité des régions rurales du Manitoba est essentielle à l'économie de la province.
- Des approches novatrices et pragmatiques sont essentielles à la réussite et nous sommes disposés à prendre des risques informés.
- L'adoption des principes de gestion allégée et d'amélioration continue améliorera le service à la clientèle et assurera une utilisation efficace des ressources.
- Nous investissons dans les gens, encourageons une approche inclusive et respectons la diversité afin de maximiser l'atteinte des résultats.

Domaines d'intérêt

Développement de l'industrie de l'agriculture primaire

- Communiquer l'information technique pour aider les agriculteurs et l'industrie à prendre des décisions commerciales éclairées.
- Fournir des outils de gestion des risques financiers et non financiers pour gérer les risques liés aux conditions météorologiques et au marché.
- Fournir des outils de financement pour les industries de l'agriculture.
- Soutenir la gestion durable de l'agroécosystème.
- Accroître la capacité d'adaptation de la production agricole et animale aux changements climatiques.
- Soutenir la nouvelle valeur, la compétitivité accrue et le développement durable afin d'augmenter la rentabilité du secteur.
- Améliorer l'accès au marché et la compétitivité.
- Accroître la capacité des organismes agricoles à stimuler le développement économique.

Développement de l'agroalimentaire et des produits agricoles

- Faire croître les petites et moyennes entreprises de l'agroalimentaire et des produits agricoles.
- Attirer et conserver de grands transformateurs de l'agroalimentaire et des produits agricoles.
- Faire progresser le développement de l'industrie agroalimentaire et les pratiques en matière de salubrité alimentaire.
- Tirer parti des forces stratégiques dans le domaine des aliments fonctionnels et des produits nutraceutiques.
- Aider l'industrie à tirer profit de la valeur accrue et des emplois dans le domaine de la production agricole.

Protection de la santé humaine, animale et des plantes

- Fournir un cadre réglementaire et d'application pour soutenir :
 - la santé humaine, animale et des plantes;
 - la compétitivité des industries de l'agriculture, de l'agroalimentaire et des produits agricoles.

Points saillants en 2017-2018

Le secteur de l'agriculture, de l'agroalimentaire et des produits agricoles du Manitoba continue d'afficher une croissance économique, contribuant ainsi au produit intérieur brut (PIB) de la province. Le PIB provincial total a augmenté de 2,9 % en 2017, tandis que l'agriculture primaire a augmenté de 8,9 % et que la fabrication d'aliments et de boissons a augmenté de 2,2 %. En 2017, l'agriculture primaire représentait 3,9 % du PIB du Manitoba, tandis que la fabrication d'aliments et de boissons représentait 2 %.

Le Manitoba a déclaré des investissements de 716 millions de dollars et 417 emplois supplémentaires dans le secteur de la transformation des aliments et des produits

agricoles. Les contributions à la croissance de ce secteur proviennent d'investissements, notamment :

- L'expansion de 460 millions de dollars des **installations de transformation de pommes de terre** de Simplot, qui se traduira par 87 nouveaux emplois et par une augmentation de la capacité de production et de la quantité de pommes de terre nécessaires.
- L'expansion de 150 millions de dollars des **installations de transformation du porc** de Hylife a permis de créer 225 nouveaux emplois dans l'usine de transformation, les porcheries et les provenderies de l'entreprise. Cette expansion a permis d'augmenter la capacité de transformation de 15 %.
- L'**usine de produits laitiers** de MDI, d'un coût de 100 millions de dollars, créera 67 emplois et augmentera notre capacité de transformation.
- Le **transformateur de riz sauvage** Floating Leaf Fine Foods prévoit des revenus supplémentaires de 500 000 \$ sur une période de deux ans, grâce à sa participation au programme de salons professionnels d'Agriculture Manitoba.
- L'entreprise de boulangerie Warburton Foods Ltd a reçu 270 000 \$ du programme du Centre d'innovation pour les grains afin d'effectuer des recherches sur l'utilisation de pâtes fermentées pour la formulation de produits de boulangerie contenant de la farine de blé et de légumineuses.

En 2017, le Manitoba a exporté pour près de six milliards de dollars de produits agricoles et agroalimentaires vers 140 pays et en a importé pour plus de 1,4 milliard de dollars.

La demande mondiale en protéines augmente et le ministère s'est engagé dans des initiatives stratégiques pour appuyer la croissance économique des protéines végétales et animales au Manitoba. Le ministère a organisé la réunion du Conseil consultatif sur l'**Initiative de l'autoroute des protéines**, à laquelle ont assisté les provinces canadiennes des Prairies et la région des grandes plaines des États-Unis. Le ministère de l'Agriculture du Manitoba a établi un lien avec l'**activité de la supergrappe fédérale** en partenariat avec Protein Industries Canada, qui va de l'avant avec l'industrie et d'autres administrations provinciales pour faire de la recherche et développer des possibilités de protéines. Le ministère a fourni et continue de fournir un appui à des entreprises comme **Roquette**, afin de s'approvisionner en pois cultivés de manière durable au Manitoba et répondre à la demande des clients sur les marchés de l'alimentation, de la nutrition et de la santé.

L'**industrie des productions animales** continue de connaître une croissance avec une augmentation de 7 % et de 5,6 % pour le bœuf et les produits laitiers respectivement. Le secteur de l'élevage bovin a augmenté de 1 % pour atteindre 1,06 million de têtes. Le ministère continue de mettre l'accent sur l'établissement d'une plate-forme solide et viable pour la croissance afin d'appuyer les niveaux records signalés. L'industrie porcine a connu une croissance de 150 000 têtes, la plus forte augmentation au Canada, pour atteindre 3,49 millions de têtes. Le secteur des ovins et de l'agneau du Manitoba a connu une croissance de 14,8 % pour atteindre un niveau record de 93 000 têtes.

Dans le cadre de **Cultivons l'avenir 2**, le ministère a terminé les activités de plus de 2 000 projets financés par un investissement fédéral et provincial de 176 millions de dollars sur cinq ans.

Cultivons l'avenir 2 a créé un environnement qui encourageait l'innovation, la compétitivité et le développement des marchés, et l'adaptabilité et la durabilité de l'industrie en fournissant des ressources, des outils et du financement aux producteurs, aux transformateurs et aux organisations agricoles. En 2017-2018, Agriculture Manitoba a travaillé à l'élaboration et à la transition du cadre Cultivons l'avenir 2 au **Partenariat canadien pour l'agriculture – Ag Action Manitoba**. Pour stimuler la croissance, la nouvelle programmation est centrée sur le client et cible les six domaines prioritaires, qui sont :

- les marchés et le commerce;
- la science, la recherche et l'innovation;
- l'agriculture à valeur ajoutée et la transformation agroalimentaire;
- la durabilité environnementale et le changement climatique;
- la gestion des risques;
- la confiance du public.

En collaboration avec Croissance, Entreprise et Commerce Manitoba, Agriculture et Agroalimentaire Canada (AAC) et Affaires mondiales Canada, le ministère se tient au courant de l'évolution des négociations relativement à l'**Accord de libre-échange nord-américain**, à l'**Accord de Partenariat transpacifique global et progressiste**, à l'**Accord de libre-échange entre le Canada et le Mercosur** et à l'**Accord de libre-échange avec l'Alliance du Pacifique**. Le ministère continue de défendre les intérêts commerciaux auprès de ses homologues étatiques des États-Unis et du Mexique en participant à l'**Accord trinational sur l'agriculture** et au **Legislative Agricultural Chairs Summit** et en y jouant un rôle de leadership.

Les services et l'infrastructure de transport du grain, y compris le rail, les ports et les routes, sont des éléments essentiels de la chaîne d'approvisionnement nécessaires pour desservir les marchés d'exportation dont dépend le Manitoba. Les perturbations ferroviaires au début de 2018 ont confirmé que la mise en œuvre de la **Loi sur la modernisation des transports** était nécessaire. Les efforts déployés par les intervenants de l'industrie, y compris le Manitoba, en vue d'améliorer la situation des expéditeurs par le truchement de la législation fédérale ont contribué à assurer la réputation du Canada en tant qu'exportateur fiable de produits agricoles de qualité. Le Manitoba continue de surveiller le rendement du transport du grain à mesure que les expéditeurs commencent à avoir accès à de nouvelles dispositions législatives et que la production agricole continue d'augmenter.

Le ministère a entrepris la modernisation du **Programme des terres domaniales agricoles** dans le cadre de la réponse à l'entente du nouveau partenariat de l'Ouest. L'engagement des intervenants a été la première étape et les activités d'élaboration des politiques suivent. Deux règlements ont été regroupés en un Règlement sur les baux et les permis relatifs aux terres domaniales agricoles. Ce nouveau règlement a permis la

modernisation grâce à l'élaboration subséquente de politiques. Agriculture Manitoba est en train de réformer et de rationaliser l'attribution et la détermination des frais de location de terres domaniales agricoles.

Agriculture Manitoba a travaillé à la réalisation des objectifs du **Plan vert et climatique du Manitoba** grâce à un certain nombre d'initiatives. Les priorités en matière de gestion de l'eau, de biodiversité et de changements climatiques ont été abordées par de nombreuses activités de transfert de connaissances et de technologie ainsi que par des programmes visant à fournir un soutien financier aux agriculteurs pour l'adoption de pratiques de gestion bénéfiques. Plus précisément, le ministère a fourni du financement par le truchement du programme de **Cultivons la protection – Produits et services écologiques**, a élaboré le Programme d'encouragement à l'agriculture durable, et travaille avec le ministère du Développement durable à l'élaboration du programme **GRowing Outcomes for Watersheds (GROW)**.

La Société des services agricoles du Manitoba a administré un portefeuille total de **prêts directs** et de **garanties de prêts** qui a facilité l'octroi de 1,02 milliard de dollars de crédit à 3 000 exploitations agricoles et entreprises rurales. Dans le cadre du programme de prêts directs de la Société ont été fournis 223,8 millions de dollars en nouveaux prêts, y compris 41 millions de dollars pour l'achat et la rétention de bovins d'engraissement.

Pour maintenir la durabilité et la compétitivité de l'industrie, le ministère continue de jouer un rôle clé dans la **protection de la santé humaine, animale et végétale**. Le personnel du ministère a réagi à l'épidémie à déclaration obligatoire la plus importante de l'histoire du Manitoba, avec 80 fermes où la présence du virus de la diarrhée épidémique porcine a été confirmé. L'industrie, le gouvernement et les vétérinaires privés ont travaillé en collaboration afin de gérer cette maladie et de contenir la zone où se situaient les cas positifs. L'ampleur de la surveillance, de l'enquête et du suivi entrepris a contribué à éclairer l'**intervention relative au virus de la diarrhée épidémique porcine** en 2018 et à gérer plus efficacement les risques.

Le ministère a mis en place et continue de promouvoir et d'améliorer des systèmes d'assurance et de vérification fiables afin d'appuyer les efforts relatifs à la confiance du public, y compris :

- la transition vers l'industrie des programmes d'évaluation et de tests des installations d'élevage de troupeaux de volailles de reproduction à la ferme;
- la vérification de l'inspection des installations dans les fermes effectuée par les Producteurs laitiers du Manitoba;

l'aide aux éleveurs de bétail du Manitoba afin d'augmenter le nombre d'éleveurs de bétail qui respectent les normes minimales de durabilité grâce à la prestation du Programme de salubrité du bœuf à la ferme.

Statutory Responsibilities of the Minister of Agriculture

The Agricultural Producers' Organization Funding Act
The Manitoba Agricultural Services Corporation Act
The Agricultural Societies Act
The Department of Agriculture, Food and Rural Development Act (except section nine insofar as it relates to Rural Opportunities 4 Growth, Infrastructure Grants or Rural Economic Development Initiatives)
The Agri-Food and Rural Development Council Act
The Agrologists Act
The Animal Care Act
The Animal Diseases Act
The Animal Liability Act
The Bee Act
The Cattle Producers Association Act
The Crown Lands Act [section 1, subsection 7.2(2), clause 7.3(2) (c), sections 7.4 to 7.6 and 35; section 4, clauses 5(1)(f), (k) and (l), subsections 5(4), sections 6 and 6.1, clause 7(1)(d), subsections 7(2) to (6), section 7.1, subsections 7.3(1) and (3) to (5), section 10, subsection 13.1(1), sections 14, 16 to 18, 21, 22, subsection 23(3), section 24, subsections 25(1) and (2), and sections 26 to 34.1 insofar as they relate to the administration of Crown lands designated by the Minister of Sustainable Development as agricultural Crown lands, including setting fees and rents and issuing work permits but excluding other dispositions]
The Dairy Act
The Family Farm Protection Act
The Farm and Food Awareness Act
The Farm Income Assurance Plans Act
The Farm Lands Ownership Act
The Farm Machinery and Equipment Act
The Farm Practices Protection Act
The Farm Products Marketing Act
The Food Safety Act¹
The Fruit and Vegetable Sales Act
The Land Rehabilitation Act
The Livestock and Livestock Products Act
The Livestock Industry Diversification Act
The Milk Prices Review Act
The Noxious Weeds Act
The Organic Agricultural Products Act
The Pesticides and Fertilizers Control Act
The Plant Pests and Diseases Act
The Property Tax and Insulation Assistance Act [Part III.1, and section 1 and Part VI as they relate to subjects covered under Part III.1]
The Veterinary Medical Act
The Veterinary Science Scholarship Fund Act
The Veterinary Services Act
The Wildlife Act [the portion of clause 89(e) that relates to compensation for damage to crops caused by wildlife as it pertains to big game and migratory waterfowl]
The Women's Institutes Act

¹ It should be noted that the Food Safety Act has not yet been proclaimed

SECTION ONE
PART A
PROGRAM AND FINANCIAL
INFORMATION

Part A – Program and Financial Information

Appropriation 1 – Administration and Finance

Administration and Finance provides executive planning, management and comptrollership of department policies, programs and resources.

Appropriation 1 (a) – Minister’s Salary

Mandate

Provides for the additional compensation an individual appointed to the Executive Council is entitled to.

1 (a) Minister's Salary

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2017/18 \$(000s)	FTEs	2017/18 \$(000s)	Over/(Under) \$(000s)	
Salaries and Employee Benefits	41	1.00	42	(1)	
Total Sub-Appropriation	41	1.00	42	(1)	

Appropriation 1 (b) – Executive Support

Mandate

To provide effective leadership in achieving the department’s vision, mission, goals and priorities.

Expected Results

- Effective and efficient delivery of the department’s programs and services including allocation of financial, physical and human resources in line with the government’s policies and priorities.

Actual Results

- Executive staff ensured that department resources were allocated in line with the government’s policies and priorities.
- The department led and coordinated the decision-making process in the development, implementation, monitoring and evaluation of the department’s policies and programs.

1 (b) Executive Support

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2017/18	2017/18		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	745	9.00	742	3	
(2) Other Expenditures	51	-	80	(29)	
Total Sub-Appropriation	796	9.00	822	(26)	

Appropriation 1 (c) – Strategy Management

Mandate

Create the environment that enables the department to define, communicate and achieve their strategic direction.

Program, Activities and Expected Results

Strategic Planning

Expected Results

- Engagement in the strategic planning process builds a focused department strategic direction and effective operational plans that advances government priorities.

Actual Results

- Engaged staff throughout department in strategic planning process resulting in development of draft strategic plan and individual branch operational plans.

Reporting

Expected Results

- Planning and reporting will focus on department and government priorities and will be tabled in the Legislature as required in The Financial Administration Act.

Actual Results

- Compiled and tabled the 2016/17 Annual Report and 2017/18 Supplementary Information for Legislative Review (SILR). Reporting was completed in alignment with the strategic direction and government priorities in a timely manner.

Performance Management

Expected Results

- Continuous improvement to an integrated performance, measurement, monitoring and management system.

Actual Results

- Developed systems to enhance performance measurement and increased capacity of leadership in measurement methodologies.

Management Capacity Development

Expected Results

- An increasingly effective management team to advance department priorities.

Actual Results

- Provided training to the management team in Essentials of Supervision and Project Management.

Employee Engagement

Expected Results

- An increasingly engaged work force as a result of the implementation of an employee engagement strategy.

Actual Results

- Continued implementation of employee engagement strategy and launched Deputy Minister Town Hall sessions as part of an internal communication strategy to increase engagement.

Regulatory Accountability and Red Tape Reduction

Expected Results

- Monitoring and reduction of unnecessary regulatory requirements/red tape.

Actual Results

- Completed regulatory requirements count and reduced the amount of regulatory requirements by two per cent.

Lean Management

Expected Results

- Increased understanding and application of lean management approaches in the daily business of the department resulting in enhanced customer value.

Actual Results

- Developed policies, procedures, standardized work and more efficient processes for external communication using lean management tools to increase customer value.

Service Innovation

Expected Results

- Service innovation advances, responsiveness to opportunities/challenges, and effective change management are evidenced.

Actual Results

- Advanced service innovation as internal branch capacity allowed. Implemented a change management Best Practices Network within the department.

Ministerial and Executive Management Support

Expected Results

- Timely, appropriate and effective communication and information supports provided to Minister and Executive management.

Actual Results

- Completed 114 Ministerial letters and 104 notes for speeches in a timely manner. Coordinated briefing materials for executive management and Minister.

Communication Operations and Governance

Expected Results

- Communications are conducted in adherence to government expectations. Continuous improvement of communication systems.

Actual Results

- Developed external communication strategy with Communication Services Manitoba and created a communications management committee to oversee implementation of strategy tactics.

Emergency Preparedness and Management

Expected Results

- Effective and rapid response to emergency situations if and when required.

Actual Results

- Maintained emergency response plans. Enhancement of response plans to occur when internal capacity is increased.

1 (c) Strategy Management

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2017/18	2017/18		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	630	10.00	777	(147)	1
(2) Other Expenditures	126	-	240	(114)	2
Total Sub-Appropriation	756	10.00	1,017	(261)	

1. The variance is mainly due to vacant positions.

2. The variance is mainly as a result of expenditure management measures to limit discretionary spending and lower costs due to branch vacancies.

Comptrollership Support Services Division

Appropriation 1 (d) – Financial and Administrative Services

Mandate

Division Mandate

The Comptrollership Support Services Division provides assurances that financial and administration management practices are functioning to support departmental programming and risk management towards an efficient and effective government.

Branch Mandate

The Financial and Administrative Services leads the department's comptrollership function and advances financial, administrative, resource planning and risk management functions.

Program, Activities and Expected Results

Building a High Performance Organization

Planning and Alignment

Expected Results

- Programming reflects departmental priorities and government requirements, and is managed effectively and consistent with government accounting standards.

Actual Results

- Led an integrated estimates and reporting process that ensured that budget and in-year activities aligned with departmental and government priorities and resulted in an efficient and effective use of resources.

Engagement

Expected Results

- Policies and processes developed through consultation, consistent with central government policy, reflective of department's operational needs, and available to staff on the Agriculture intranet site.

Actual Results

- Utilized a common service delivery approach to foster engagement, consultation and development of administrative policies and processes including expenditure management, and access to decision documents and minutes.

Leadership

Expected Results

- Staff understand and have the tools to facilitate effective comptrollership.
- Information regarding diversity, inclusion and employment equity policies and initiatives are circulated to departmental staff.

Actual Results

- Continued to promote the completion of the five Comptrollership Online courses offered through Organization and Staff Development with emphasis placed on

the delegated financial signing authority module for staff with financial responsibilities.

- The Branch coordinated the Student Temporary Employment Program, which employed 73 students with a continued focus on diversity in the workplace.

Lean Management

Expected Results

- One branch lean project undertaken which has the participation of divisional financial analysts, administrative officers and program staff and increases operational efficiency.

Actual Results

- Project was deferred pending the completion of the government-wide Finance and Administration Consolidation review.

Performance Management

Expected Results

- Responsibly managed budget with forecasts providing reliable indicators of the financial position of the department.
- Effective comptrollership framework that confirms adequate systems of internal controls are in place.
- Requests for access to information under The Freedom of Information and Protection of Privacy Act (FIPPA) are responded to in accordance with the Act and its regulations. Privacy Impact Assessments are completed and privacy requirements addressed.

Actual Results

- Continue to update comptrollership-related policies/processes as required as well as ensured financial reporting and estimates requirements were met.
- Updated the delegated financial signing authority chart to reflect the organizational structure and the operational needs of department.
- Received and responded to 31 applications for access under FIPPA.

Risk Management

Expected Results

- Adequate processes are in place to manage the department's risk.

Actual Results

- Developed an audit plan for consideration based on assessed risks. Reviewed branches responses to various reporting requirements during year and at year end to monitor compliance with government requirements and identify opportunities for improvement.

Innovation

Expected Results

- New processes or financial/administrative procedures are successfully implemented across the department.

Actual Results

- Adoption of the expenditure management process was successfully implemented across the department.

Execution

Expected Results

- Administrative requirements and reporting are managed and co-ordinated effectively ensuring departmental needs are met.

Actual Results

- Completed the department's expenditure and revenue estimates; in-year and year end reporting requirements accurately and with increased efficiency.

1 (d) Financial and Administrative Services

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2017/18	2017/18		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	992	16.00	1,266	(274)	1
(2) Other Expenditures	213	-	335	(122)	
Total Sub-Appropriation	1,205	16.00	1,601	(396)	

1. The variance is mainly due to vacant positions.

Appropriation 2 – Policy and Transformation Division

Mandate

Leads policy and program development and delivery that fosters an environment for competitiveness, adaptability and sustainability of Manitoba's agriculture, agri-food and agri-product sector.

Appropriation 2 (a) – Policy

Mandate

Foster science-based policy analysis and development, effective program development and delivery relative to government priorities, and appropriate legislative and regulatory reform.

Program, Activities and Expected Results

Building a High Performance Organization

Legislation and Regulatory

Expected Results

- The department's acts, regulations and orders reflect the objectives of the government and meet the needs of industry stakeholders and the public.
- Legislation and regulations will not contain unnecessary red tape while maintaining valid policy objectives.
- Manitoba legislation and regulations will encourage the sustainable development of primary agriculture, agri-food and agri-product industries that protects the environment, human, animal and plant health; reflecting the values of Manitobans.
- That legislation and regulations are in place to protect human, animal and plant health.

Actual Results

- Amended six Acts and 20 regulations including The Agricultural Producers Organization Funding Act to simplify funding for the Keystone Agricultural Producers (KAP).
- Led efforts to reduce unnecessary red tape leading to a reduction in the number of regulatory requirements by 2 per cent since 2016 as part of a red tape reduction exercise.
- Amended agricultural Crown lands (ACL) regulations to ensure productive use of the lands, greater transparency and reduced red tape.
- Modernized The Noxious Weeds Act and Regulation to empower individual municipalities to respond quickly to emerging weed control concerns and to make financial decisions for weed control independent of provincial oversight.

Agencies, Boards, and Commissions Support / Oversight

Expected Results

- The department's agencies, boards and commissions are effectively managing their operations and delivering their programs to meet operating and reporting requirements under their respective acts and mandates.
- Increased efficiencies and successful transitions (as required) in the roles and operations of agencies, boards and commissions related to the department.

Actual Results

- The department's agencies, boards and commissions effectively managed their operations and delivered programs to meet operating and reporting requirements under their respective acts and mandates.
- Selected board members attended the annual Manitoba Council of Administrative Tribunals, which provides training on good board governance. Specific board training was undertaken to support new members.
- Worked with department officials and the Appeal Tribunal in reviewing a new policy regarding the tendering of ACL. This change from a points formula basis is expected to reduce the number of appeal requests.
- Completed annual review of policies and procedures by department boards to ensure that operating policies are updated as appropriate.

Primary Agriculture Industry Development and Agri-Food and Agri-Product Development

Policy Analysis and Development

Expected Results

- Manitoba offers a set of policy instruments that provides an innovative business environment for the agriculture, agri-food and agri-product industries to be market responsive, competitive and sustainable.
- Consultation with stakeholders on Business Risk Management (BRM), trade, transportation and the next policy framework improves policy utilization, development and effectiveness.
- Manitoba's transportation and grain marketing policy priorities are communicated to national and regulatory agencies.

Actual Results

- Ensured the Bilateral Agreement of the CAP has the desired menu of programs/initiatives that will enable provincial objectives. The Bilateral Agreement was signed in March 2018.
- Supported the development of the CAP. Manitoba Agriculture hosted consultations with agriculture stakeholders, held sector conversations with 29 commodity organizations, and conducted an online public survey. The objective of these consultations was to assess the impact and relevancy of the current framework and identify opportunities, challenges and priorities of the agriculture and agri-food sector for the next framework.
- Participated on the Crop Logistics Working Group, a forum for industry and governments to discuss issues in the grain handling and transportation system.

- Promoted Manitoba's priorities for infrastructure needs and rail service requirements leading up to the federal government's tabling of Bill C-49, The Transportation and Modernization Act, and continued to support provisions of the Act that assist Manitoba shippers throughout the Act's passing.

Growing Forward 2 Programs

Expected Results

- GF2 programming has contributed to an agriculture, agri-food and agri-product sector that is competitive in domestic and international markets, adaptable and sustainable through continuous development and adoption of new products and practices.
- Organizations have the capacity to implement strategic initiatives to advance the sector through the GF2 - Growing Actions Program.
- Rural municipalities have reduced the risk of flooded agricultural lands due to beaver impacts through the GF2 - Beaver Damage Prevention Program.

Actual Results

- Collected and analyzed rail service performance data, current crop production and supply chain conditions facing Manitoba farmers and shippers.
- In the final year of this \$176 million federal-provincial agreement:
 - Provided funding through GF2 - Growing Actions in the amount of \$312,500 (four new applicants approved) to promote sector advancement.
 - Results from completed projects include the establishment of a farm safety council to create awareness and provide training to farmers, development of a database by Manitoba 4-H Council to improve member coordination and tracking as well as funding to Manitoba crop commodity organizations to explore efficiency opportunities for the development and coordinated delivery of projects as one organization.
- Provided funding through Growing Assurance - Farmland Beaver Damage Control in the amount of \$142,541 (38 applicants approved).

Next Policy Framework

Expected Results

- A suite of cost-shared programs that drives innovation to meet industry needs and positions the sector for competitive success.
- A federal, provincial, territorial (FPT) policy that outlines the commitment for the next framework, provides clear direction on goals, and identifies principles for agreement development.

Actual Results

- Developed program activities under CAP, to drive innovation, competitiveness and sustainability of the agriculture sector.
- Led the development of the new agricultural policy framework agreement, CAP, which was signed in January 2018. The multilateral framework agreement has the priorities, tools, funding mechanisms and elements that will enable Manitoba to achieve provincial objectives.

Sector Growth Plans

Expected Results

- Strategic plans that focus resources and actions for the growth and sustainability of the sector.

Actual Results

- Created an internal reference library for industry growth strategies including a cross jurisdictional comparison of trade strategies in Canada.

Trade

Expected Results

- Intelligence provided on trade actions to decision makers and stakeholders on key trade issues.
- Trade policy agreements and bilateral activities that improve trade opportunities and meet international trade obligations. Collaborative activities with the United States and Mexico on common interests of economic growth and trade including the Tri-National Agricultural Accord and Legislative Agricultural Chairs Summit.
- Requirements for Manitoba's monitoring and reporting on World Trade Organization measures and government expenditures (GE) are met.

Actual Results

- Provided regular updates relevant to incoming trade missions, trade negotiations and market access issues to decision makers. This year, focus was placed on following the developments in the North American Free Trade Agreement (NAFTA) negotiations and pulse market access issues in India.
- Collaborated with Growth Enterprise and Trade (GET), as lead department for work on the ongoing NAFTA, Canada-Mercosur Free Trade Agreement and the Canada-Pacific Alliance Free Trade Agreement. Manitoba supported the signing of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Manitoba co-chaired the Canada / Mexico bilateral meeting at the Tri-National Agricultural Accord. Manitoba participated in and chaired a session at the Legislative Agricultural Chairs Summit.
- Provided AAFC with the 2016/17 GE actuals as well as the 2017/18 GE estimates for the Provincial Public Accounts. Part of the GE information is used for the Producer Support Estimates (PSE) and the General Services Support Estimates (GSSE) for submission to the Organization for Economic Cooperation and Development (OECD).

Primary Agriculture Industry Development

Business Risk Management (BRM)

Expected Results

- The suite of FPT (BRM) programs (AgriStability, AgriInsurance, AgriInvest, AgriRecovery) and other financial assistance programs (Western Livestock Price Insurance) will be effectively funded and managed to meet Manitoba's agriculture industry risk management needs.

- Manitoba's priorities for risk management programming are included in the development of the next FPT Ag policy framework agreement.
- The department has an action plan to reduce severe market and production related risks.
- Effective responses and recovery plans are developed to sustain farms through significant economic events that occur during the year.
- Farmers are able to access appeal processes that, if needed, improve the experience of using risk management programs.

Actual Results

- Contributed to AgriStability and AgrilInvest when required.
 - Worked with the federal government to ensure effective program delivery for Manitoba's AgriStability and AgrilInvest participants (for participation details see 3B - Agricultural Income Stabilization).
 - Worked with Manitoba Agricultural Services Corporation (MASC) to develop policy proposals for AgriInsurance.
 - Participated on the Western Livestock Price Insurance Program's governance committee to ensure Manitoba's beef and hog producers have an effective tool to manage short term price risk.
- Funding for BRM programs continued under the new CAP policy framework with a new restriction on AgriStability's Reference Margin Limit.
- Began a formal review of BRM policy and programs began with the department recommending further changes to BRM programs to improve their effectiveness.
- There were no events that required an AgriRecovery response in 2017/18
- No severe economic events occurred during the year that required an ad hoc response from governments. Individual losses remained covered by the existing BRM programs.
- Held one meeting of the AgriStability and AgrilInvest appeal committee. AgriInsurance participants have access to an appeal process through MASC.

Organization Funding Governance

Expected Results

- Manitoba has designated organizations representing the major crops and livestock industries effectively investing producer funds on valuable research projects and market development while maintaining low checkoff refund rates.

Actual Results

- Review completed by the Manitoba Farm Products Marketing Council on the annual check-off rates for dollar amounts and number of producers requesting refunds from each designated organization to ensure that they fell below the 30 per cent level mandated in the Act.

Supply Management Oversight

Expected Results

- Every supply-managed producer board has policies that enable the supply-managed industry to grow food businesses.

Actual Results

- Approval by the Manitoba Farm Products Marketing Council of:
 - Amendments to 11 regulations and orders that allow for orderly marketing by the producer boards.
 - Changes to the by-laws of two producer boards to allow for more streamlined election and administration processes.
- The Manitoba Farm Products Marketing Council heard two appeals, thereby ensuring that the policies of the producer boards are administered fairly.

Mediation Services

Expected Results

- Provided mediation services to producers as an alternative to legal action by creditors. Manitobans have warranty and repossession protection on farm machinery, and equipment purchased or leased in Manitoba. Farm equipment dealers and vendors will be licensed and monitored.

Actual Results

- Provided mediation services between farmers and their creditors under The Family Farm Protection Act through the Manitoba Farm Industry Board (MFIB). Twenty-seven applications (27) were received in total. Fourteen of the farmers used the services offered by the board.

Farm Land Ownership

Expected Results

- Manitoba farmland is protected from market speculation by foreign investors.

Actual Results

- Completed review of 61 applications to the MFIB exemption from the Farm Lands Ownership Act for non-Canadian individuals and organizations. Approved 59 applications.

Farm Practices Governance

Expected Results

- Conflict resolution process provided for farmers and their neighbours concerning farm production practices.

Actual Results

- Received two formal complaints to MFIB under the Farm Practices Act. One was withdrawn after the investigation prompted changes in the farm practices identified in the complaint and one is ongoing. The board also responded to phone and email inquiries that were resolved without a formal complaint.

Horse Racing Governance

Expected Results

- Horse racing is fair and safe for all participants and contributes to economic development in rural areas.

Actual Results

- Assisted the Horse Racing Commission as required as the Commission, with the Horsemen and Track Operators, continued to work to offer a safe environment

for humans and animals. Racing at Assiniboia Downs and the rural circuit was entertaining, competitive and fair to all participants.

- Completed a request for proposal for external review of the financial sustainability of the horse racing industry.

Agri-Food and Agri-Product Development

Board Support

Expected Results

- Agriculture boards are able to effectively manage their operations and deliver their programs, while meeting the operating and reporting requirements under their respective acts and mandates.

Actual Results

- The Milk Prices Review Commission heard from industry and reviewed the fluid milk pricing formula, and determined that effective February 2018 producer prices for fluid milk would decrease slightly by \$0.19 per hectolitre and wholesale and retail prices would not change.
- Notified industry after a review of milk container sizes that legislation was amended to provide more flexibility by deregulating container size requirements excluding standard, partly skimmed and skimmed milk.

Protection of Human, Animal and Plant Health

Appeals

Expected Results

- Fair appeal processes and procedures that listen to all parties involved and render effective judgments.

Actual Results

- The Appeal Tribunal and the oversight provided by Boards and Commissions staff ensured fair processes and decisions were rendered. The Appeal Tribunal heard and rendered decisions on 24 appeals regarding ACL. The Animal Care Appeal Board heard and provided decisions on six appeals related to the humane treatment of animals.

2 (a) Policy

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2017/18	2017/18		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	2,583	30.00	2,575	8	
(2) Other Expenditures	432	-	634	(202)	
(3) Grant Assistance	1,880	-	350	1,530	1
Total Sub-Appropriation	4,895	30.00	3,559	1,336	

1. The variance is primarily as a result of one-time grant assistance provided to Manitoba Jockey Club Inc. and Manitoba Great Western Harness Racing Circuit Inc.

Appropriation 2 (b) – Transformation

Mandate

Ensure industry-leading knowledge and technology solutions are available to effectively inform government policies, deliver client programs and engage the public.

Program, Activities and Expected Results

Primary Agriculture Industry Development

Foresight and Analysis

Expected Results

- Industry statistics and data sets are maintained and available for policy and private users. National and international collaborative research and market intelligence projects and reports are available. Staff can confidently comment on global supply and disposition, trade conditions and its impact on Manitoba.

Actual Results

- Compiled, analysed, and published datasets on prices, inventories, production, and marketing and sales of commodities, food, and agri-products.
- Prepared market and industry intelligence reports for internal and external clients, including Manitoba Markets weekly prices, and Special Reports for crops, livestock, food, farm income, and trade.
- Provided historical statistics on finance, crops, livestock, weather, land, and agri-food.
- Responded to approximately 250 market intelligence inquiries from governments and industries in 2017, about 20% lower than the number of inquiries in 2016.
- Published 310 industry/market intelligence reports (weekly, monthly and annual) an increase of 60% compared to the 2016 amount. The Markets and Statistics website registered 725,000 hits in 2017, almost triple the number of hits in 2016. These web analytics indicates to some degree that the section's strategy to expand digital contents and promote the website through social media and other channels is effective to boost knowledge transfer.

Economic Analysis

Expected Results

- Market analyses including projections for the major primary commodity industries in Manitoba are provided. Local supply and disposition and export conditions are monitored both in current and historical time frames.

Actual Results

- Provided market intelligence and economic analysis support to the development of CAP projects, evaluation of project proposals, and development of sector strategies (e.g., protein, feed, and livestock growth).
- Contributed to economic analysis of the agriculture industry for developing provincial documents for Manitoba's investment attraction, negotiation with financial institutions, and provincial budget.

- Conducted sectoral and situational analyses to support domestic and international trading with major partners including US, Mexico, EU, China, India, Korea, and Japan.
- Prepared and published market and trade reports on agri-food products.
- Provided economic analysis support to analyse the food and bio-product survey data and provided summary of the analysis results for departmental use in program and policy development.
- Compiled farm cash receipts, farm income forecast, statistical factsheets, and crop and livestock sector reports.
- Provided valuations for national accounts, insurance and lending. Conducted economic analyses for department strategic planning, annual reporting, policy development, and ministerial presentations.
- Participated in and made presentations at industry and sector council annual general meetings (e.g., Manitoba Pork Council (MPC), MBP, KAP, HAMS Marketing).
- Consulted with industrial stakeholders and liaised with national bodies (e.g., AAFC, StatsCan) on key industry issues (e.g., cattle price reporting, forage prices).
- Maintained templates for producers to voluntarily report numbers and sales of pigs, cattle, horses, bison, and forages.
- Reported crops and livestock market trends by surveying industry stakeholders and monitoring exchange and local auction markets.
- Reduced risk of misinformation for BRM programs by improved accuracy of market information.

Research and Innovation

Expected Results

- Progress from research and development projects on production technologies and systems for crops and livestock, supported through GF2 and the grant to the University of Manitoba.
- Established research and knowledge transfer equipment and facilities at Brandon and Brookdale sites. Baseline information on pasture, forage, and soil condition. Preliminary studies conducted on sustainable beef, forage production, and soil health.
- Progress from genomic research projects, supported through GF2, to improve crops. Facilitated projects to enhance nutrigenomics and crop productivity. Launch an advisory committee to integrate the value chain from field through food to human and animal function.
- Establishment of a sustainable Protein Highway initiative to improve research capabilities, cooperation and establish a region-wide brand built on protein production.
- A completed framework that will guide the creation of a research and development strategy that accelerates the agri-food sector's contribution to economic growth.

Actual Results

- Funded commodity specific research and capacity building activities for livestock including egg (\$91,013 for 3 projects), dairy (\$36,173 for 2 projects), pork (\$81,739 for 3 projects) and beef (\$450,491 for 2 projects) under GF2 Agri-Food Research and Development Initiative (ARDI) and Capacity and Knowledge Development (CKD) programming. The supported projects addressed various topics of importance to the Manitoba livestock industry including phosphorus utilization, bedding management, mastitis, meat quality, cow-calf feeding, biosecurity and vaccination strategies. Awarded \$1.4 million from GF2 CKD programming to the Glenlea Research Station Dairy Barn Improvement (University of Manitoba) to restore its capacity to conduct livestock research and education.
- Awarded Manitoba Beef and Forage Initiative (MBFI) \$2.85 million in GF2 funding to build MBFI's capacity in research and knowledge transfer activities in 2015-2018. Equipment and facilities that were purchased for Brandon and Brookdale sites include a modern cattle handling facility, automated cattle supplementation system "SmartfeedPro", and GPS cattle collars and pedometers to monitor cattle behaviour in pasture.
- Awarded Genome Prairie \$320,000 to fund two research projects: Canadian Triticum Applied Genomics (CTAG2) project to facilitate the identification and cloning of genes for further improvement of wheat; and Sustainability of Honeybees to develop genomics and proteomics tools that will enable beekeepers to effectively breed healthy, disease resistant, bee colonies better able to survive Canadian winters.
- Protein Highway Advisory Council Meeting received \$5,000 through the GF2 CKD programming to host a regional meeting.
- Developed Ag Action Manitoba – Research and Innovation activity under CAP to accelerate research and innovation of the agri-food sector to ensure economic growth and sustainability.

Public Trust Support

Expected Results

- Programming developed in the Next Policy Framework (NPF) to support industry's efforts to increase public trust in farming and food processing; increase public knowledge of agricultural practices.
- Improved harmonization and alignment in the development of national, provincial and private policies, programs and communication resources that builds public trust in agriculture and agri-food processing.
- Greater industry leadership in the development of standards, validation systems and communication tools leading to consumer confidence in the agriculture sector.
- Greater consistency in service, improved internal and external communications, greater public awareness and identification of opportunities for administrative savings.

Actual Results

- Ensured CAP Ag Action Manitoba funding is available for public trust initiatives under the Industry Development and Organization Development activity.
- See 03-5a Industry Advancement/Ag Adaption.
- Actions deferred due to position vacancy.
- Drafted Public Trust Strategy and risk and communications planning framework.

Agri-Food and Agri-Product Development

Industry Intelligence and Economic Forecasting

Expected Results

- Increased market information through collection of local/regional data. Provided accurate information on which to create conditions to grow agriculture and agri-food sectors. The resource pool of research and market intelligence that is available to Manitoba Agriculture is expanded, while leveraging value through cooperative approaches.

Actual Results

- Represented Manitoba on five national and international working groups (FPT Ag Statistics, FPT Export Market Access Consortium, FPT Farm Income Forecast, FPT Forecast Methodologies, Livestock Marketing Information Center). Participated in collaborative projects to ensure accuracy of market and industry information for Manitoba. Made presentations at four events including Ag Days and Provincial Economic Outlook, participated in Grain World and Crop Connects and arranged meetings with speakers and delegates. Organized three Ag Statistics 101 Series events to facilitate market intelligence transfer and analytics training that attracted 150 people in total.

Economic Analysis

Expected Results

- Market analyses including projections for the major agri-product processing industries in Manitoba are provided. Local supply and disposition and export conditions are monitored both in the current and historical time frames.

Actual Results

- Provided market intelligence and economic analysis support to the development of CAP projects, evaluation of project proposals, and development of sector strategies (e.g., protein, feed, and livestock growth).
- Contributed to economic analysis of the agriculture industry for developing provincial documents for Manitoba's investment attraction, negotiation with financial institutions, and provincial budget.
- Conducted sectoral and situational analyses to support domestic and international trades with major partners including US, Mexico, EU, China, India, Korea, and Japan.
- Prepared and published market and trade reports on agri-food products.
- Provided analysis support to analyse the food and bio-product survey data and provided summary of the analysis results for departmental use in program and policy development.

Research and Innovation

Expected Results

- Progress through collaboration from food, feed and ingredient research and development projects supported through GF2 and the GIH (see Section 2D) and supported by the grant to University of Manitoba.
- The creation of a coordinated provincial approach to research and innovation that results in greater competitiveness, improved leveraging of resources and enhanced accountability among partners.
- Recognition for Manitoba as an innovation leader in bioscience for sustainable food, feed and fibre, and opportunities for increased collaboration among entrepreneurs, researchers and end users in the area of protein.
- Progress from research and development projects on production technologies and systems for crops, livestock and value added products supported through GF2. Results from research projects on the Manitoba Beef and Forage Initiative, GIH (see Section 2D), and initiatives in sunflower, vegetables, corn, soy, potato and bio-products
- Progress from research and development collaborations with stakeholders on production technologies and innovative systems that support water management and climate change adaptation to guide planning.
- Progress from Manitoba Agri-Health Research Network projects supported through GF2; functional food projects from Manitoba products including canola, oats, sunflower, saskatoon berries, dairy, edible beans and soy.
- Strengthened Manitoba's position as a national and international leader in bio-product research, innovation, investment and value-added growth opportunities.

Actual Results

- Funded nine projects under the Agri-Research and Development Initiative (ARDI) for \$1.18 million over fiscal years 2015/16 to 2017/18 with total partner contribution of the nine projects \$4.12 million. Projects funded increase the competitive position of Manitoba agricultural, agri-food, and agri-products sector by accelerating innovation in production, product market readiness and/or risk management in four specific areas: crops, livestock, food and environment. Successful projects that focused specifically on food, feed and ingredient projects included the effects of dietary flaxseed in kidney disease, wellness products for weight management, and Prairie cordgrass as a biomass feedstock for Manitoba.
- Developed a new transparent, accountable and competitive research and innovation activity under the next policy framework to accelerate sustainable growth in the agriculture and agri-product processing sector through innovation.
- Supported six research and innovation consultation and engagement activities with GF2 funding, which fostered collaboration amongst government partners. The six activities included the Protein Highway Advisory Council Meeting (\$5,000); Functional Foods Strategy (\$75,000); Canadian Barley Symposium & North American Barley Researchers Workshop (\$2,500); Annual GM & Technical Conference (\$2,500); Development costs for Innovation Supercluster Initiative (\$25,000); and MBFI.
- Awarded \$1.4 million to the Glenlea Research Station Dairy Barn Improvement (University of Manitoba) via GF2 CKD programming. Seven projects (confection

sunflower varieties, optimization of hemp hurds for oil absorption and bioremediation, bio catalytic reduction in chlorophyll pigments in hemp seed oil, and hemp product consumption using human trials) were completed that received \$945,300 over several years of the ARDI program. Project results will permit commercialization of new products, export markets and greater economic return to Manitoba's value chain.

- The Manitoba Forage & Grassland Association Aquanty project resulted in the construction of a hydrologic model for the Assiniboine River Basin. Simulation results included the impact of forages and grasslands, wetlands, and soil properties on overland movement of water. The Manitoba Biomass Atlas through the International Institute for Sustainable Development was completed and work done on the Wetland Mapping of Agro-Manitoba through the Manitoba Habitat Heritage Corporation will contribute to future water management planning and climate change adaptation in Manitoba.
- Funding from GF2 Growing Innovation – CKD program for \$396,000 supported five projects that characterized selected plants (buckwheat, pinto beans, canola, sunflower, Saskatoon berry) and animal-based products (dairy) grown/raised in Manitoba for their role in research, product development and pre-commercialization outcomes related to the management of pre-diabetes.
- Composites Innovation Centre received \$315,341 under GF2 CKD for two projects; one involving support for their BioNet Manitoba- Phase 2 program and the other to develop FiberCity Informatics System and pilot plant.

Protection of Human, Animal and Plant Health

Expected Results

- Progress from Manitoba Livestock Manure Management Initiative (MLMMI) projects supported under GF2; including consolidated results from the manure storage and application research, PEDv survivability research and odor mitigation research.

Actual Results

- Continued operation of MLMMI with the priority being knowledge transfer from its research activities. Three of MLMMI's researchers presented relevant manure research results to the Bill 8 hearing in Nov 2017. The hearing was part of efforts to reduce red tape and streamline regulatory oversight of manure management.
- MLMMI completed a project that investigated the survivability of the PED virus in Manitoba soils. This lab-based project optimized the process of extracting PEDv from soil, polymerase chain reaction (PCR) quantification of PEDv amended soil, and cell culture assay for assessing the infectivity of PEDv amended soil.
- MLMMI funded two new projects to study odour mitigation. The first project involved a literature review of promising practices and technologies that may work under Manitoba conditions, and the second project focussed on the enhancement of a science based Odour Impact Assessment Tool (OIAT), which will predict odour dispersion associated with various configurations and sizes of swine farm.

Building a High Performance Organization

Information Technology Prioritization and Management

Expected Results

- Information Technology (IT) projects will be aligned, prioritized and implemented in a manner that supports the department's strategic objectives.
- Policy and process information on the MB Ag intranet site will be updated and communicated in a timely manner for greater autonomy and consistent implementation throughout the organization.
- Establishing baseline measures will allow for targets to be established and continuous improvement of processes.
- Information technology processes communicated to staff and new government systems adopted in an effective and efficient manner that supports department's needs.

Actual Results

- Established a process that identifies information technology projects and prioritizes them in a manner that supports the department's strategic objectives.
- Updated the department intranet site to include IT related central government and departmental policies, standards and processes.
- Developed a method to gather data on the operations of the IT services unit.
- Updated information technology processes have been updated, documented and communicated within the department.

TIPS (Transformative, Information Sharing, Protected, Supportive) Project

Expected Results

- The department will have a modern information management system that facilitates information sharing, file management, employee access and permissions.

Actual Result

- Implemented the Agriculture Informatics and Client Library portions of the TIPS project successfully. Requirements for the drive structure and Corporate Information Management System have been finalized with implementation to occur in 2018/19.

Next Policy Framework IT Management System

Expected Results

- A sustainable technology solution that efficiently manages grants without duplication of efforts and reduces administrative red tape for clients.

Actual Results

- Documented requirements and began creation of a grants management system to administer the CAP Ag Action Manitoba program.

2 (b) Transformation

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2017/18	2017/18		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	1,487	26.00	2,101	(614)	1
(2) Other Expenditures	340	-	559	(219)	2
(3) Grant Assistance	1,115	-	1,115	-	
Total Sub-Appropriation	2,942	26.00	3,775	(833)	

1. *The variance is mainly due to vacant positions.*
2. *The variance is mainly as a result of expenditure management measures to limit discretionary spending and lower costs due to branch vacancies.*

Appropriation 2 (c) – Food Development Centre

Mandate

Provide research and commercialization infrastructure and expertise to accelerate industry-level strategies (e.g. protein, functional food and nutraceuticals) to increase value-added of Manitoba-produced commodities.

Program, Activities and Expected Results

Agri-Food and Agri-Product Development

Research and Development

Expected Results

- 35 new food product/ingredient prototypes ready to launch into commercial market.
- New processes or products that use agri-food by-products.
- Entrepreneurs, businesses and other government employees are better informed regarding necessary food regulation items.
- Valuable sensory feedback provided to businesses regarding food products prior to market.
- Increase in value and quantity of protein commodities produced and value of processed protein products and ingredients.

Actual Results

- Developed 28 new food product/ingredient prototypes. Eight new food products/ingredients were launched into the commercial marketplace.
- Developed four new agri-food co-products from barley, hemp, canola and seabuckthorn processing.
- Provided technical information via seminar presentations in food regulations, safe food production and processes. Assisted one Manitoba company in getting regulatory approval for a new novel food product.
- Conducted shelf life testing on 32 products for 15 clients. Sensory Evaluation was conducted on 22 products for eight clients.
- Initiated protein discovery for three Manitoba companies using Manitoba commodities (canola, oats, flax).

Food Labelling for Manitoban Food Industry

Expected Results

- Food labels that meet Canadian Food Inspection Agency standards.

Actual Results

- Created 271 Nutritional labels for 134 clients. Sixty-three US Nutritional labels were created for 20 Canadian clients with 22 US label reviews. Five Canadian labels were created for three US clients with eight Canadian label reviews.

Pilot Plant

Expected Results

- A well-informed food industry with products or processes that realize operational benefits for clients.
- Food industry growth through assisting new businesses/products to produce in introductory stage.
- Food Development Centre operational budget targets achieved.

Actual Results

- Provided 10 Hazard Analysis and Critical Control Points (HACCP) plans to food industry processors to meet nutritional and regulatory affairs regulations in order to market their food products. Provided off-site food safety and regulatory assistance to four Manitoba clients.
- Assisted nine new and existing clients in the pilot plant to produce commercial food products at a retail value of \$1.25 million on-site. Four pieces of equipment were rented to Manitoba companies to use off-site, related to protein extraction and co-product utilization.
- Continued to implement lean management practices to shift to an activity costing basis approach, improve capacity utilization and operational evaluation to increase efficiency.

Lease of Incubation Suite

Expected Results

- Food industry businesses paying taxes and employing 20+ employees while expanding to a new facility in rural Manitoba.

Actual Results

- Issued an offer to lease for the full incubation suite and new tenant purchased existing equipment.

Building a High Performance Organization

Growing Forward 2 Administration

Expected Results

- Provision of quality audited financial administration as per the GF2 service agreement.

Actual Results

- Met the obligations under the GF2 service agreement based on the results of an external audit. This was the final year of the GF2 federal/provincial agreement.

2 (c) Food Development Centre

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2017/18	2017/18		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
Grants and Transfer Payments	2,761	-	2,020	741	1
Total Sub-Appropriation	2,761	-	2,020	741	

1. The variance is a result of one-time grant assistance for the repayment of a building loan.

Appropriation 2 (d) – Grain Innovation Hub

Mandate

Commercialize production and utilization innovations in the grains (including cereals, oilseeds and pulses) sector to accelerate innovation along the entire grain value chain.

Program, Activities and Expected Results

Primary Agriculture Industry Development

Crops/Grain Storage and Handling

Expected Results

- Implementation of technologies and practices that reduce production risk from crop disease and insect pests, increase resiliency to flooding and the adoption of equipment and information technologies for enhanced production and quality.
- Globally recognized centre of excellence by building capacity in grain innovation and supporting knowledge transfer through initiatives such as the placement of a pulse research agronomist at the University of Manitoba.
- Increased adoption of new monitoring/conditioning systems for grain storage resulting in a reduced volume of grain storage loss, greater retention of food market quality attributes and improved profits to farms and other grain handlers.

Actual results

- Awarded \$968,600 to 11 projects to implement technologies and practices that reduce grain crop production challenges related to agronomics, diseases, pests and quality.
- Awarded \$300,200 to Manitoba Pulse and Soybean Growers (MPSG) to establish capacity to conduct applied pulse research and place a research agronomist at the University of Manitoba.
- Supported two projects totalling \$233,000 over fiscal years 2015-2017 to improve grain storage and handling; including 151 Research Inc. project (\$189,000) to implement an automated grain bin imaging, handling and drying system.

Agri-Food and Agri-Product Development

Functional Food/Feed and Nutraceuticals

Expected Results

- Benchmark the impact of processing and food format for the development and commercialization of products based on recognized health attributes of Manitoba grain crops.

Actual Results

- Awarded \$240,000 to two projects; one to examine the effect of Genotype and Environment on pulse flour quality and baking performance and the other on the use of fermented doughs for formulating bakery products containing wheat and pulse flours. An additional \$36,500 was awarded to MPSG to examine the cardiovascular health benefits of soybean crops.

2 (d) Grain Innovation Hub

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2017/18	2017/18		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
Other Expenditures	37	-	300	(263)	1
Grant Assistance	1,448	-	2,700	(1,252)	2
Total Sub-Appropriation	1,485	-	3,000	(1,515)	

1. The variance is as a result of lower than anticipated operating requirements.
2. The variance is primarily due to the deferral of projects in recognition that the Province had achieved its 40% matching requirement under the five-year Growing Forward 2 agreement with the federal government which expired on March 31, 2018.

Appropriation 3 – Risk Management, Credit and Income Support Programs

Mandate

Enhance financial stability in rural Manitoba by providing risk management solutions, lending options and other programs and services to address emerging needs.

Appropriation 3 (a) – Manitoba Agricultural Services Corporation (MASC)

Mandate

Provides programs including direct loans and loan guarantees, agricultural insurance, wildlife damage compensation and emergency assistance.

Provide Effective Risk Management Programs for Farmers

Risk Management Programs

Expected Results

- Insure \$2.61 billion of AgrilInsurance liability, covering 9.6 million acres and 8,400 farm operations.
- Provide \$900 million of hail insurance liability, covering 4.8 million acres and 4,300 farm operations.
- Pay \$4.1 million in wildlife damage compensation.
- Provide AgrilInsurance premium rebates totaling \$15,000 under the Young Farmer Crop Plan Credit Program.
- Insure \$49 million of liability under the Western Livestock Price Insurance Program, covering 64,500 animals for \$1.2 million in premium.

Actual Results

- Insured \$2.66 billion of AgrilInsurance liability, covering 9.6 million acres and 8,200 farm operations.
- Provided \$858 million of Hail Insurance liability, covering 4.5 million acres and 4,000 farm operations.
- Paid \$6.1 million in wildlife damage compensation.
- Provided \$16,500 in AgrilInsurance premium rebates under the Young Farmer Crop Plan Credit Program.
- Insured \$68.4 million of liability under the Western Livestock Price Insurance Program, covering 52,400 animals for \$1.8 million in premium.

Make Affordable Credit Available to Farmers and Other Agricultural Enterprises

Farmer and Other Agricultural Enterprises Credit Programs

Expected Results

- Administer a total direct loan and loan guarantee portfolio that facilitates \$915 million of credit to 3,050 Manitoba farm operations and rural businesses.

- Provide \$135 million in new loans through MASC's Direct Loan program, including \$22 million for the purchase/retention of feeder cattle.
- Facilitate \$95.5 million in private sector loans to farmers, by providing \$24.0 million in loan guarantees, which includes: \$31 million in loans (facilitated by \$7.8 million in guarantees) to cattle producers through the Manitoba Livestock Associations Loan Guarantee program; \$25.5 million of loans (facilitated by \$6.4 million in guarantees) through the Diversification Loan Guarantee program; and \$39 million in operating loans (facilitated by \$9.8 million in guarantees) through the Operating Credit Guarantees for Agriculture program.
- Provide interest reductions of \$1.8 million through the Young Farmer Rebate.

Actual Results

- Administered a total direct loan and loan guarantee portfolio that facilitated \$1.02 billion of credit to 3,000 farm operations and rural businesses.
- Provided \$223.8 million in new loans through MASC's Direct Loan program, including \$41 million for the purchase/retention of feeder cattle.
- Facilitated \$80.3 million in private sector loans for farmers, by providing \$20.1 million in loan guarantees, which includes: \$37.5 million in loans (facilitated by \$9.4 million in guarantees) to cattle producers through the Manitoba Livestock Associations Loan Guarantee program; \$10.3 million in loans (facilitated by \$2.6 million in guarantees) through the Diversification Loan Guarantee program; and \$32.5 million in operating loans (facilitated by \$8.1 million in guarantees) through the Operating Credit Guarantees for Agriculture program.
- Provided interest reductions of \$1.5 million through Young Farmer Rebates.

Facilitate Affordable Credit for Rural Small Businesses

Rural Small Businesses Loan Guarantee Programs

Expected Results

- Facilitate \$5.5 million in new term loans to rural small businesses by providing \$4.4 million in guarantees through the Rural Entrepreneur Assistance program.
- Facilitate \$0.9 million in operating loans to rural small businesses by providing \$225,000 in loan guarantees through the Operating Credit Guarantees for Rural Small Business program.

Actual Results

- Facilitated \$3.0 million in new term loans to rural small businesses by providing \$2.4 million in guarantees through the Rural Entrepreneur Assistance program.
- Facilitated \$0.4 million in operating loans to rural small businesses by providing \$100,000 in loan guarantees through the Operating Credit Guarantees for Rural Small Business program.

3 (a) Manitoba Agricultural Services Corporation

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2017/18	2017/18		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Administration and Lending Costs	(2,242)	-	7,532	(9,774)	1
(2) AgriInsurance	56,910	-	54,520	2,390	2
(3) Wildlife Damage Compensation	3,201	-	2,108	1,093	3
Total Sub-Appropriation	57,869	-	64,160	(6,291)	

1. The variance is primarily due to a net decrease in loan and guarantee provision requirements; increase in net interest revenue due to higher loan volumes; and a decrease in administration costs mainly due to lower than average AgriInsurance claim volumes.
2. The variance is primarily due to producers growing more high value crops (i.e. soybeans) and selecting higher dollar value options under Excess Moisture Insurance.
3. The variance is primarily due to higher claim activity in the big game and waterfowl components of the program.

Appropriation 3 (b) – Agricultural Income Stabilization

AgriStability and AgrilInvest

Mandate

Provide producers with assistance to manage financial difficulty arising from risks related to market disruption, natural disasters and production problems; thereby assisting the agriculture industry to be resilient and competitive.

Business Risk Management (BRM) Programs

Expected Results

- AgriStability and AgrilInvest programs available to assist Manitoba producers to stabilize their incomes by receiving government assistance when margins decline significantly and by establishing an account for managing risk events or investments.
- The Federal Farm Income Program Directorate receives the provincial share of BRM program funds ensuring timely payments are made to Manitoba producers.

Actual Results

- AgriStability and AgrilInvest programs were available to Manitoba producers. Participation rates for the 2015 program year (the most recent data available), based on total farm market revenues, were as follows:

Table A - Total Allowable Market Revenues in Manitoba (\$million)
2015 Program Year
(Excluding farms with total revenues less than \$10,000)

Program	All Tax Filers	Program Participants	Participation Rate
AgriStability	\$6,368.4	\$3,979.9	62.5%
AgrilInvest	\$6,002.8*	\$5,680.3	94.6%

* In AgrilInvest, allowable market revenue excludes supply managed commodities (mainly milk, poultry & eggs)
Source: AAFC

- While most commercial farms in Manitoba participated, as in all provinces the participation rate for AgriStability has been on a downward trend for several years.
- 2017 net farm income in Manitoba, excluding BRM payments, was well above the previous five year average due to very high crop yields and strong commodity prices. This resulted in lower than average BRM payments, but total net farm income was still well above average:

Table B – Net Farm Income in Manitoba (\$million)

Realized Net Income before receipts from BRM Programs (2017, estimated)	Inventory Change	BRM Payments Triggered	Total incl. BRM payments	2012 - 2016 Average
\$793.8	\$312.5	\$106.9*	\$1,213.2	\$737.4

* Forecasted payments for the 2017 program year, regardless of when received by producers, consisting of AgriInvest (\$40.2), AgriStability (\$24.5), and AgriInsurance (\$42.2)

Sources: Statistics Canada, AAFC, Manitoba Agricultural Services Corp.

- Provided funding to the federal government as invoiced for administration of AgriStability and AgriInvest.

3 (b) Agricultural Income Stabilization

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2017/18 \$(000s)	2017/18 FTEs	2017/18 \$(000s)	Over/(Under) \$(000s)	No.
Other Expenditures	10,288	-	-	10,288	1
Grant Assistance	26,080	-	34,015	(7,935)	2
Total Sub-Appropriation	36,368	-	34,015	2,353	

1. The variance is due to a one-time accounting adjustment related to the 2011 Shoal Lake Buy Out program as the department adjusted the value of owned land to reflect the 2016 assessed value.
2. The variance is mainly due to a decrease in federally forecasted costs for AgriStability as a result of higher than expected crop yields in 2017 and prior year adjustments.

Appropriation 3 (c) – Farmland School Tax Rebate

Mandate

Provide rebates of the school taxes on farmland.

Expected Results

- Increase net farm income, with additional spin-off benefits to rural communities
- More equitable distribution of local education costs.

Actual Results

- Administered \$40.8 million in school tax rebates to 25,990 Manitoba farmland owners.

3 (c) Farmland School Tax Rebate

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2017/18 \$(000s)	2017/18 FTEs	2017/18 \$(000s)	Over/(Under) \$(000s)	
Grants and Transfer Payments	41,015	-	41,039	(24)	
Total Sub-Appropriation	41,015	-	41,039	(24)	

Appropriation 4 - Stewardship and Assurance Division

Mandate

Creates the environment for achieving optimal health for people, animals and the environment through One Health collaborative efforts that advance public and industry interests.

Appropriation 4 (a) – Food Safety and Inspection

Mandate

Contributes to the security of the Manitoba food supply to safeguard the health of Manitobans and to ensure protection of trade and competitiveness of the agri-food processing industry.

Protection of Human, Animal and Plant Health

Meat Inspection Program – The Food and Food Handling Establishments Regulation under The Public Health Act

Expected Results

- Delivery of a comprehensive meat inspection program that provides food safety and animal welfare oversight while providing a service that prevents business interruptions.
- Timely follow-up and resolution of consumer complaints.

Actual Results

- Provided 2,885 meat inspection days to 25 provincial abattoirs. See Table I for the number of animals by species inspected at provincial abattoirs and condemnation data.

Table I: Numbers and Species of Animals Processed in Provincial Abattoirs in 2017			
Species	Annual Total		
Chicken	133,889		
Swine	102,582		
Spent Hens	17,423		
Cattle	9,737		
Turkey	8,275		
Ducks	4,463		
Lambs	2,218		
Rabbits	579		
Goats	344		
Bison	285		
Elk	65		
Sheep	54		
Llama/Alpaca	14		
Calves	9		
Horses	1		
Grand Total	279,938		
Condemnation Rates in Provincial Abattoirs in 2017			
Species	Number of animals		% Condemned
	Slaughtered	Condemned	
Swine	102,582	2,443	2.38
Chicken	133,889	974	0.73
Cattle	9,737	121	1.24
Total	246,208	3,538	1.44

- Two investigations of illegal abattoirs were initiated based on complaints.

Food Processing Inspection Program – The Food and Food Handling Establishments Regulation under The Public Health Act

Expected Results

- Delivery of a risk-based food safety inspection system that provides effective food safety oversight to food processed at provincially inspected facilities.
- Timely follow-up and resolution of consumer complaints.

Actual Results

- Completed 780 routine inspections at the approximately 450 provincially inspected processing/distribution establishments in the province. The risk-based inspection system focuses resources on establishments that have a greater potential to cause a food safety issue. Seventy-nine per cent of the routine inspections were directed to establishments in the higher risk category. An escalating enforcement approach is used to gain compliance. Refer to Table II for the results of enforcement actions.

Table II: Enforcement Action	2013	2014	2015	2016	2017
Warning Letters	15	12	15	17	10
Common Offence Notices	6	4	1	6	3
Prosecutions	0	1	1	1	0
Suspended Operations	0	6	4	1	1
Closed Facilities	1	2	2	2	1
Seizures	3	12	13	7	11

- Thirteen complaints were investigated with an average response time of two days.

Food Safety Legislation and Enforcement

Expected Results

- Consistent interpretation and enforcement of provincial food safety legislation.
- Assurance that the regulatory inspection system is delivered in a consistent and transparent manner and resources are being used effectively with resources allocated to higher risk operations.
- Completion of a risk assessment tool that is user friendly for inspection staff and consistently focuses resources to high risk activities.
- Development of food safety legislation that is consistent with national standards and takes into account the diversity of the provincial food industry. Regulation would be outcome based to allow flexibility and innovation in the food process sector.

Actual Results

- Established three interdepartmental working groups focused on consistency between inspection delivery systems.
- Developed off-site and on-site audit protocols.
- Completed a jurisdictional scan of existing risk assessment models. Analyzed operating parameters of the current inspection database and a draft risk assessment developed.
- Completed a jurisdictional scan of food safety legislation across Canada and globally. Amendments to the current food safety legislation were proposed.

Dairy Farm Inspection Program – The Dairy Farms Regulation under The Dairy Act

Expected Results

- Effective monitoring of the DFM's farm inspection program.

Actual Results

- Developed a monitoring program to provide oversight of the DFM inspection program to ensure Manitoba regulatory requirements are met. The program

includes both an inspection report review and on-site shadowing of inspection staff.

Food Safety Programs

Expected Results

- Increased adoption of preventive food safety programs by industry to meet regulatory requirements for the Safe Food for Canadians Regulation.
- Development of resource materials that will assist industry to improve food safety practices.
- An increased number of food processors developing and implementing preventive assurance programs.

Actual Results

- Conducted 33 food safety training sessions from basic food safety training to specialized training for approximately 630 industry participants to increase awareness and facilitate effective adoption of preventative food safety programs.

Elk Game Farm Program – The Livestock Industry Diversification Act

Expected Results

- Oversight of the elk game farms in Manitoba to help prevent animal diseases entering the province.

Actual Results

- Licensed 16 elk game production farms.

4 (a) Food Safety and Inspection

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2017/18	2017/18		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	2,848	41.00	2,999	(151)	
(2) Other Expenditures	512	-	757	(245)	
Total Sub-Appropriation	3,360	41.00	3,756	(396)	

Appropriation 4 (b) – Animal Health and Welfare

Mandate

Provide leadership, technical expertise and an appropriate regulatory and enforcement framework to protect human, animal and plant health and industry competitiveness.

Protection of Human, Animal and Plant Health

Animal Welfare – The Animal Care Act

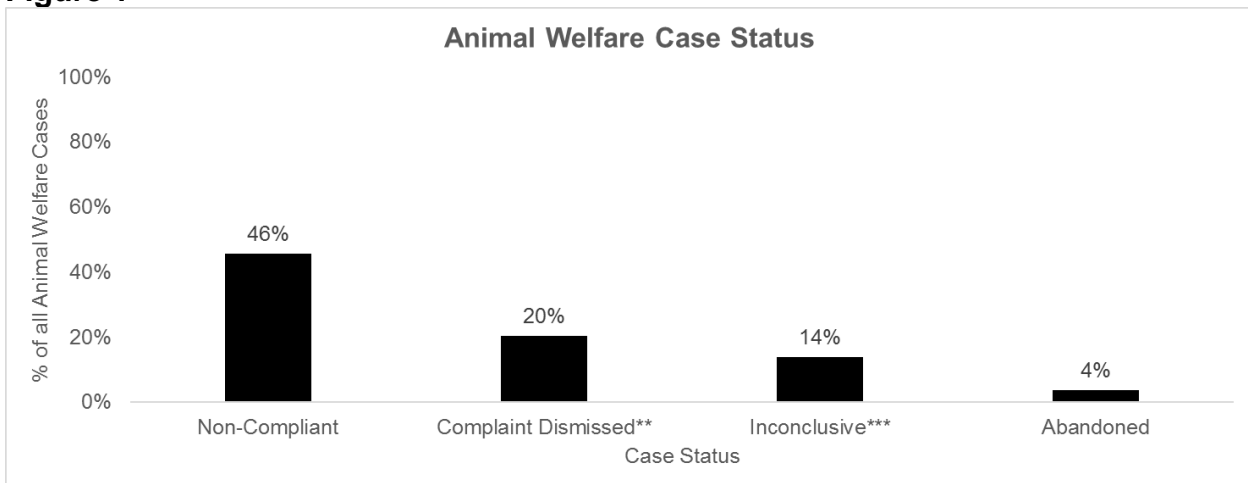
Expected Results

- Effective response to companion animal and livestock welfare concerns in Manitoba with appropriate corrective action up to and including enforcement.
- Successful and appropriate enforcement action on livestock and companion animal welfare non compliance issues as described under The Animal Care Act and Regulations.
- Enhanced compliance under The Animal Care Act and Regulations at commercial animal markets and assembly stations.
- Uptake of the kennel educational program. Animal welfare issues at kennels, breeding animal premises, and companion animal retail stores will be addressed through reports to the Animal Care Line, and knowledge of owners of animal breeding premises, kennels, and companion animal retail stores with respect to requirements under The Animal Care Act and Regulations will be enhanced.
- Validated humane stunning and animal handling practices at provincially permitted abattoirs and on farm to address animal welfare concerns identified at provincially permitted abattoirs.

Actual Results

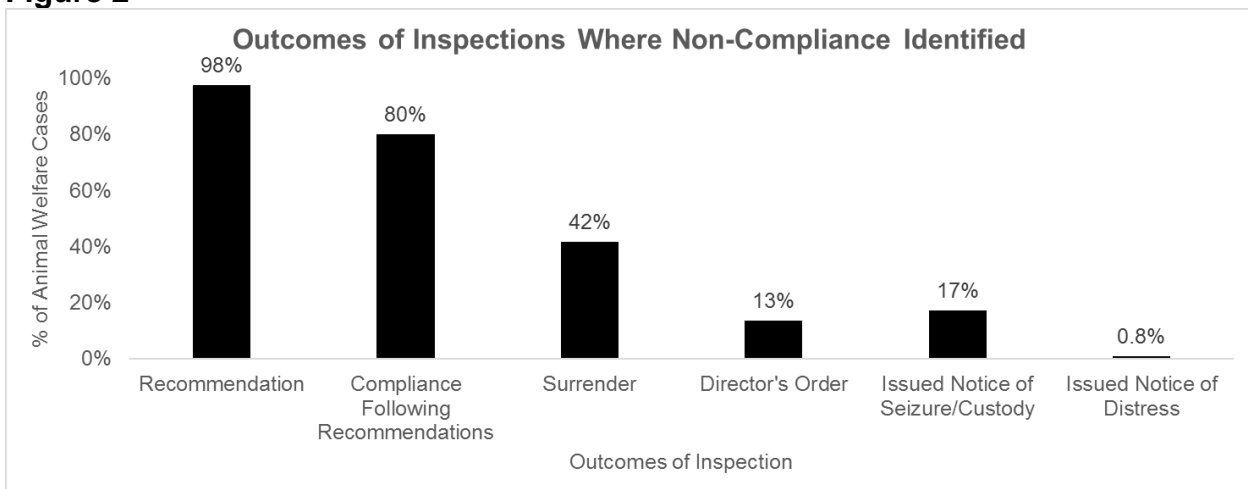
- Received 1,026 animal welfare concerns reported through the Animal Care Line which resulted in inspections under The Animal Care Act by Animal Protection Officers.
- Conducted 1,026 inspections, 46% showed non-compliance under the Act, 20% demonstrated compliance under the Act therefore the complaint was dismissed, 14% of inspection results were inconclusive for non-compliance, and 4% of inspections found animals to meet criteria for abandonment (Figure 1).
- Out of 467 inspections where non-compliance under the Act was identified, recommendations were made to achieve compliance in 98% of cases, compliance was noted after recommendations were made in 80% of cases, animals were voluntarily surrendered by their owners in 42% of cases, a Director's Order was issued to compel compliance in 13% of cases, animals were seized and owners were issued a Notice of Seizure/Custody due to animals being deemed in distress or abandoned in 17% of cases, animals were deemed in such distress it was inhumane to allow them to continue to live in 0.8% of cases resulting in owners being issued a Notification regarding and Animal in Distress (Figure 2).

Figure 1



The percentage of all animal welfare cases will not total 100% as multiple statuses may be associated with each case. Animal Welfare cases may still be on-going, therefore are not always complete.

Figure 2



The percentage of all animal welfare cases will not total 100% as multiple statuses may be associated with each case. Animal Welfare cases may still be on-going, therefore are not always complete.

- In the 2017 calendar year there was one animal welfare case that involved an execution of a warrant to collect evidence and/or relieve animal distress, there were 48 common offence notices issued and eight cases resulted in long form prosecution.
- Auction Mart Inspection Program is under review. Inspection and enforcement continues to be addressed on a complaint basis.
- Initiated a tender process to source an independent third party review to develop and provide recommendatory to administer a certification program for companion animal breeding premises, boarding kennels, animal rescues & shelters, companion animal retail stores, and municipal pounds.

- Received 19 abattoir-related animal welfare concerns reported to the Animal Care Line which resulted in inspections under The Animal Care Act by Animal Protection Officers.

Premises Identification Program – The Animal Diseases Act

Expected Results

- Increase in the number of new Premises Identification (PID) numbers validated each month.
- Information regarding the PID Program will be widely distributed through targeted means to increase the number of new Premises Identification numbers validated each month.

Actual Results

- Identified 1,107 new premises identifications. Manitoba has a total of 7,295 different premises and work is being done to complete the identification of cattle, sheep, goat, and bison premises in anticipation of the proposed federal regulatory changes to the Health of Animals Regulations. A pilot of cattle auction mart promotion of PID was conducted resulting in increased numbers of new and updated PID's.
- Participated in the FPT Traceability Task Team and the Industry Government Advisory Committee on Traceability to shape policy and increase participation in traceability systems in advance of the proposed regulatory changes to the federal Health of Animals Regulations.
- Promoted PID and Traceability through presentations and attendance at 14 Manitoba Beef Producer (MBP) district meetings, MBP and Dairy Farmers of Manitoba annual general meetings and 7 tradeshow. The trade shows included 5 Beef and Forage day events, Manitoba Ag Days and the Direct Farm Marketing Conference.
- Conducted auction mart visits to raise awareness about the PID program.

Emergency Preparedness

Expected Results

- Building on the platform of the Premises Identification Database, the detailed business requirements will outline how this software tool can be used to manage information in an agricultural emergency and to assist in making key decisions for emergency response and recovery.
- Enhanced department capacity for efficient and consistent emergency response.

Actual Results

- The business requirements have not been completed due to high operational demand and vacancies.
- Accessed on line incident command training for Chief Veterinary Office (CVO), as well as essentials for Emergency Operation Centre (EOC) training delivered by Canadian Food Inspection Agency (CFIA). Enhanced cross utilization of staff within the department to assist with Porcine Epidemic Diarrhea Virus (PEDv) response.

Veterinary Diagnostic Services Laboratory

Expected Results

- Increase the number of tests performed at Veterinary Diagnostic Services (VDS).
- New tests added and testing methods updated, and increase in number of tests performed at VDS in order to mitigate animal diseases and prevent disease transmission.
- Identification and implementation of client service improvements to support evolving client needs and the provincial livestock industry.
- A Canada West management committee is formed to develop and implement a plan to improve efficiencies and service.
- Ensured certification of Foreign Animal Disease (FAD) laboratory to perform testing of reportable diseases in collaboration with the CFIA.

Actual Results

- Conducted 149,576 tests across 16,542 case submissions, which represents a 17% increase in testing and a 3.4% increase in case submissions from the previous annual report. This is largely due to the increase PEDv testing from the 2017 PEDv outbreak.
- Updated three tests to a different testing technology; Mycoplasma gallisepticum, Mycoplasma synoviae, Mycoplasma meleagridis.
- Continued to meet with clients to improve client service and planning on initiating a client advisory group in the next fiscal year. Attendance at conferences and seminars to seek client feedback and reach out to clients.
- Participated in a Canada West management team that has been formed to develop and implement a plan to improve efficiencies, services and collaboration. The team that has shared internal documents with each other such as standard operating procedures and has initiated lab collaboration through pathology rounds.
- Work on the FAD lab required ventilation design and work to finish the outstanding project has been delayed.

Animal Disease Investigations under The Animal Diseases Act

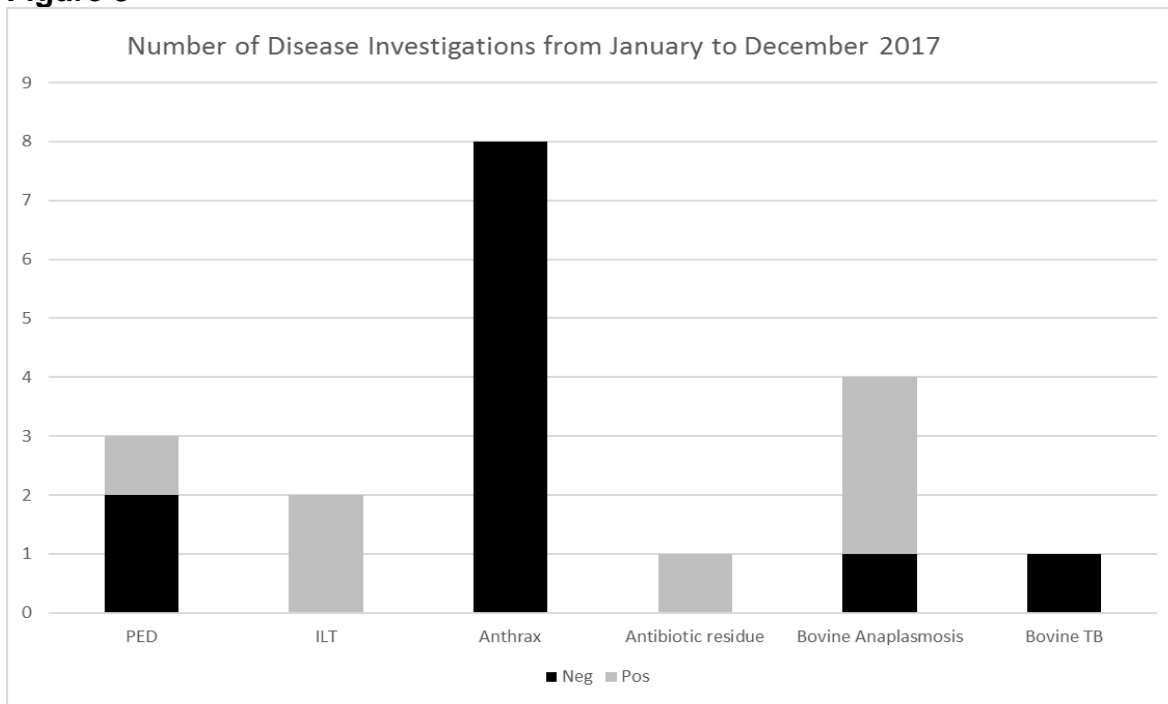
Expected Results

- Respond to suspect cases, significant risks or disease outbreaks of diseases such as Anthrax, Porcine Epidemic Diarrhea, Seneca Valley Virus, Salmonella Enteritidis, Bovine tuberculosis, or Infectious Laryngotracheitis. (Typically 10-15 investigations per year)

Actual Results

- Initiated 17 disease investigations involving positive or suspect animals on 98 premises. This included the 2017 PEDv outbreak, the largest animal disease outbreak recorded in Manitoba. The outbreak involved 80 infected premises with an additional 284 premises that were either in close proximity or had contact with a positive premises. By the end of winter, one of the 80 farms remained positive for PEDv, seven were in a transitional state, and the remainder were presumptive negative for PEDv.

Figure 3



Targeted Animal Disease Surveillance Programs/Initiatives (including those conducted under The Livestock Industry Diversification Act and The Animal Diseases Act)

Expected Results

- Premises based reports that allow producers within specific sectors to maintain a negative status or adjust control measures.

Actual Results

- Completed weekly PEDv surveillance at high traffic premises (abattoirs, assembly yards and transport wash stations) assisted the swine sector in ensuring PEDv risks were mitigated at these sites. The surveillance was particularly important during the 2017 outbreak as it detected PEDv incursions at processing plants and a previously negative assembly yard. All affected sites were able to respond rapidly, implement eradication protocols and return to negative status.
- The small flock avian influenza program identified 2 cases of infectious laryngotracheitis, a reportable disease that is a threat to both commercial and small farm flocks.

Broad Based Animal Health Surveillance Initiatives

Expected Results

- Regular (weekly/ monthly) outputs and quarterly reporting from regional and national levels provide an understanding to what broader disease threats are present.

Actual Results

- Provided analytical review and laboratory data to the Canada West Swine Health Intelligence Network (CWSHIN) quarterly reports. Provided quarterly reports to both producers and veterinarians and identified multiple trends on significant diseases in the western Canadian swine population.
- Provided laboratory data to the Canadian Animal Health Surveillance Network (CAHSN) for laboratory based disease surveillance.
- Provided professional expertise and collaboration to the beef, dairy and swine surveillance network groups under the Canadian Animal Health Surveillance System (CAHSS). Provided additional leadership and guidance to lead the move of CAHSS under the national farmed animal health and welfare council. The process is on going.

Hatchery and Hatchery Supply Flock Program under The Livestock and Livestock Products Act (LLPA) and The Animal Diseases Act

Expected Results

- Over 95% of commercial hatchery supply flocks in Manitoba from commercial poultry production participate in a program that is equivalent to the National Poultry Improvement Plan in the United States.

Actual Results

- Facilitated participation of 51 hatchery supply flocks in the Hatchery and Hatchery Supply Flock program in 2017; 33 broiler breeder flocks supplying three hatcheries, nine layer breeder flocks supplying two hatcheries and turkey breeder flocks supplying one hatchery.

Biosecurity and Disease Prevention Programs

Expected Results

- Consultation on regulatory changes resulting in improved cross border transport biosecurity and validation of biosecurity activities at high traffic premises. Technical support provided for programs conducted by stakeholders. (e.g. Manitoba Hydro, Sustainable Development; Analysis of prevention programs for Bovine TB in the Riding Mountain Eradication Area.)

Actual Results

- An industry led assurance program to address cross border transport biosecurity for the swine sector is still under development. The department continues to provide support to the program development. The department and MPC worked with MB Hydro to improve the identification of livestock premises within Hydro's data bases. This would allow MB Hydro to respond rapidly to disease situations where their employees or contractors may have been in close contact with an exposed or infected premises.
- Analysis of the bovine TB prevention programs was not able to proceed because a land use model necessary for this analysis has not been updated by the researcher responsible. MBP and the department are determining the best approach to obtain the necessary updates to the land use model.

Manitoba One Health Steering Committee

Expected Results

- Improved programming that involves collaboration with multiple government departments such as zoonotic infectious disease, toxic hazards, and antimicrobial resistance efforts that involve agricultural, veterinary and public health components.
- Provincial and national development of programs to support mental health and wellbeing of farmers and those involved in challenging agricultural and animal welfare scenarios including industry and government staff.

Actual Results

- Enhanced cross-departmental relationships and communication on shared responsibility issues, resulting in improved joint response to incidents. Worked with provincial and federal counterparts on joint surveillance efforts, as well as strengthened partnerships with public health and sustainable development within the province of Manitoba on cross departmental initiatives.
- The Chief Veterinary Office (CVO), University of Manitoba, and the Manitoba Psychological Society (MPS) has begun to establish a prototypical model of effective clinical/community resourcing to Animal Health and Welfare staff of the CVO, and contractors. One Welfare Conference planning has begun to support the next conference being hosted by Australia in 2019. This event will continue to identify Manitoba as a jurisdiction that provides international leadership and builds on the international recognition of the importance of the issues which Manitoba is engaged in.

Veterinary Public Health Response Programs – The Animal Diseases Act

Expected Results

- Improved prevention detection and response to threats to public and animal health issues outside of developed programs such as toxic spills, and emerging zoonotic diseases.

Actual Results

- Rabies: The Rabies working group works under a One Health Framework, evaluating potential human and domestic animal rabies exposures with Manitoba Seniors, Health, & Active Living, and Sustainable Development. Between April 2017 and March 2018, 128 samples were collected and submitted for rabies diagnostics after One Health collaborative risk assessments in what continues to be one of the most efficient provincial rabies programs. A total of 13 of the 128 samples were positive for rabies (10.2%). The species testing positive were six skunks, two foxes, two cows, two dogs, and one cat. Domestic animals and humans exposed to rabies received post-exposure management to prevent disease. Sample collectors continue to be trained, and work throughout Manitoba to collect samples in all regions.
- PEDv: Starting in April 2017 with new cases occurring until October 2017, an outbreak of PEDv occurred on 78 swine premises in south-eastern Manitoba, and two in central Manitoba. The CVO worked to trace swine movements and reduce the spread of infection, as well as work with the swine industry to put

stringent biosecurity management practices into place. These efforts led to the last new case of PEDv on Oct. 25/17. By the end of winter, one of the 80 farms remained positive for PEDv, seven were in a transitional state, and the remainder were presumptive negative for PEDv.

- **Anaplasma:** Collaborative efforts are underway with the University of Manitoba to evaluate the ongoing risk of Anaplasma in beef cattle in regions of MB. Ticks are being sampled in regions where cases have been identified in the past, and will be tested for Anaplasma. This will allow for a greater understanding of the ongoing risk of exposure of cattle to this disease and will inform what future surveillance efforts may be required.
- **Echinococcus:** A collaborative research project was developed with public health to evaluate the risk of Echinococcus multilocularis in Manitoba, as well as the risk this disease poses to humans.
- **Chronic Wasting Disease (CWD):** Due to significant federal changes to disease control programming related to CWD, work to develop a framework for prevention and management of CWD in Manitoba are ongoing. Federal and provincial working groups continue, as do intra-provincial meetings with Sustainable Development with input from Manitoba Health Seniors and Active Living.
- **AMR/AMU UPDATE:** Federal Regulatory changes related to Veterinary Drugs and Antimicrobials of Importance (AMI) have required additional efforts related to joint surveillance of Antimicrobial Use (AMU) and Antimicrobial Resistance (AMR), including communications, and program development involving multiple agencies, departments and stakeholders. Staff have been involved in national and regional initiatives on AMU and AMR through a number of working groups involved in all aspects of implementing the new AMU protocols here all AMI are now prescription drugs. Enhanced surveillance at provincial abattoirs to detect antimicrobial residue risks.

Emerging and Zoonotic Disease Initiatives

Expected Results

- Increased cross provincial alignment with emerging and zoonotic disease efforts to ensure that Manitoba maintains national credibility and is involved in future national initiatives that impact our agricultural production system.

Actual Results

- Continued program development within the Community for Emerging and Zoonotic Diseases (CEZD) network. The community served through CEZD continues to expand and tools optimized to provide improved communications related to emerging and zoonotic diseases of importance to Canadians and Manitobans. Supported the Animal Care Act with diagnostic testing, specialized forensic pathology services and expert testimony for 117 cases. Maintained membership of the VDS in the CAHSN, the Canadian Animal Health Laboratories Network, and the Canadian Swine Health Information Network. Shared animal health diagnostic results to expand the national diagnostic capabilities for early detection of animal disease threats to the food supply, food safety or the public.

4 (b) Animal Health and Welfare

Expenditures by Sub-Appropriation	Actual	Estimate	Variance	Expl.	
	2017/18	2017/18	Over/(Under)	No.	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	4,881	52.00	4,896	(15)	
(2) Other Expenditures	3,456	-	2,796	660	1
(3) Grant Assistance	11	-	11	-	
Total Sub-Appropriation	8,348	52.00	7,703	645	

1. *The variance is due to the establishment of a contingent liability for a matter before the courts and higher costs for the provincial response to outbreaks of the Porcine Epidemic Diarrhea (PED) virus on farms in southeast Manitoba. These costs were partially offset by fewer major disease investigations required during the fiscal year.*

Appropriation 4 (c) – Agri-Resource

Mandate

Facilitate climate change adaptation and the sustainable development, use and protection of Manitoba's agro-ecosystem including air, land and water.

Primary Agriculture Industry Development

Ag Crown Lands (ACL)

Expected Results

- Interdepartmental working group Range Implementation Management Group (RIMG) established to partner with Association of Manitoba Community Pastures (AMCP) to co-manage the community pastures.
- Parcels acquired will be allocated to producers under the ACL Leasing Program.
- Land is made available through the Treaty Land Entitlement process.
- Community pasture lands (approximately 400,000 acres) and ACL (approximately 1.5m acres) will continue to be managed in an agriculturally sustainable and productive manner that encourages growth in the livestock industry.
- Delivery of the ACL program involving the management and supports forage production for approx. 90,000 head of cattle and provides approx. \$1.6 million in municipal tax dollars as a conditional grant in lieu of taxes.
- Manitoba will align the ACL program's eligibility requirements with those of the New West Partnership Trade Agreement (NWPTA) partner provinces within one year (Jan 1, 2018).
- Overall reduction of policies in ACL, while maintaining the objectives of maintaining and enhancing ACL sustainable production.

Actual Results

- RIMG members visited the community pastures (CP) and provided recommendations for grazing management as well as for sustaining biological diversity.
- Shoal Lakes parcels deemed suitable for agricultural use have all been allocated to producers under the ACL leasing program.
- Identified 25 parcels for circulation to four different First Nations for possible selection to fulfill outstanding Treaty Land Entitlement.
 - Peguis First Nation - 11 parcels
 - Brokenhead Ojibway Nation - seven parcels
 - Opaskwayak Cree Nation - six parcels
 - Wuskwi Sipiik First Nation - one parcel
- Pasture management agrologists visited community pastures and agricultural Crown leases to provide specific recommendations for altering grazing, location of salt, minerals and water, and rotation of herds, to improve pasture health.

- Continued to support the livestock sector through forage supply for approximately 90,000 head of cattle while also providing approximately \$1.7 million in municipal tax dollars (conditional grant) through ACL.
- Manitoba has aligned ACL requirements to meet the New West Partnership Trade Agreement.
- Introduced the new ACL Leases and Permits Regulation (152/2017) which came into force January 1, 2018. This regulation repealed previous regulations, enabling out-of-province applicants for ACL dispositions, and enabled modernization through subsequent policy development.
- Completed public consultation on policy development to support the new Agricultural Crown Land Leases and Permits Regulation (152/2017).

Climate Change

Expected Results

- Technical support provided for agriculture green house gas (GHG) mitigation and climate change mitigation including resource materials regarding specific climate change impacts e.g. increased frequency of intense precipitation
- Carbon pricing/market will be analyzed to determine impact on agriculture.

Actual Results

- Provided technical support and developed resource materials for GHG mitigation and climate change adaptation in agriculture. Impacts on agricultural sub-sectors (beef, dairy, pork, grains/oilseeds, poultry processing).

Environmental Goods and Services (EG&S)

Expected Results

- Reduce flooding, improve water quality, and nutrient management through the implementation of new province wide programming.
- Promote use of innovative decision tools for environmental project assessment. Support provided for review of value Ecological Good and Services (EGS) in grasslands.
- Support provided for water quality, water quantity, climate change adaptation and mitigation, and biodiversity BMP projects.

Actual Results

- The GRowing Outcomes in Watersheds (GROW) Management Committee developed the GROW governance structure, funding options and implementation plan. The department and Sustainable Development (SD) consulted on the GROW program and its related watershed mandates (Aug-Oct, 2017). A “What We Heard” document was produced, with the results used to inform development of the Ag Action Manitoba Watershed EGS BMPs.
- Provided technical support and participated on the steering committee assessing the value of EGS provided from Community Pastures.
- Promoted and delivered GF2 programming EGS program:

Growing Assurance – EGS – Program Statistics 2017/2018				
BMP	Approved	Funded	Approved funding	Amount Paid
Water Retention Structures	15	15	\$580,242.00	\$476,047.92
Riparian Area Enhancement	7	7	\$267,387.00	\$248,508.30
Perennial Cover for Sensitive Land	1	1	\$27,198.00	\$27,198.00
Shelterbelt/Tree Establishment	2	2	\$21,018.00	\$19,953.28
Total	25	25	\$895,845.00	\$771,707.50

Environmental Compliance Livestock

Expected Results

- Livestock Manure and Mortalities Management Regulation reviewed and amended. Land assessments conducted for an estimated 10-15 new and expanding livestock operations. Provide Beneficial Management Practices (BMP) funding to support manure use and management projects on farm.
- Two chapters of the Farm Practices Guidelines for Livestock Producers revised.
- Technical support provided for research proposals and reports related to improved manure management technologies /practices; and for two training events for manure management planners and commercial manure applicators.

Actual Results

- Reviewed and amended Livestock Manure and Mortalities Management Regulation.
- Land assessments for 10 new or expanding livestock operations conducted as part of Provincial Technical Review. Six Conditional Use Hearings attended.
- Conducted two industry consultations to improve the Provincial Technical Review process.
- Farm Practices Guidelines on residual nitrate limits published. Farm Practices Guidelines on odour drafted.
- Technical support provided for four research projects on manure nutrients and odour under the Manitoba Livestock Manure Management Initiative.
- Reviewed 19 CAP projects on Livestock Production under Research and Innovation.
- Course material delivered for the Commercial Manure Applicators Workshop.

Growing Assurance Environment (GF2)

Expected Results

- Provide support and assistance to producers completing their Environmental Farm Plan (EFP).
- Technical support provided for water quality, water quantity, climate change adaptation and mitigation, and biodiversity BMP projects.

Actual Results

- Facilitated 19 Environmental Farm Plan workshops attended by 119 producers resulting in 76 Statements of Completion being issued.
- Promoted and delivered GF2 programming (Growing Assurance – Environment):

Growing Assurance – Environment – Program Statistics 2017/2018				
BMP	Approved	Funded	Approved Funding	Amount Paid
On-Farm Fuel Storage	6	4	\$19,461.00	\$13,506.05
Sanitation Equipment for Commercial Manure Applicators	4	4	\$54,950.00	\$54,950.00
Total	10	8	\$74,411.00	\$68,456.05

Integrated Watershed Management Plan (IWMP)

Expected Results

- Ensure agricultural needs are captured within IWMPs.

Actual Results

- Reviewed Southwest Interlake, Cooks Creek and Boyne-Morris Integrated Watershed Management Plans (IWMP) for agricultural considerations.

Land Use Planning

Expected Results

- Strengthened policies for agricultural producers and municipalities to support keeping agricultural land in large (80 acres or more) parcel sizes, prevent unplanned rural residential development on agricultural land, and maintain pasture and cultivated land in production.
- Provided advice and reports on agricultural land use planning to municipalities/planning, districts/planning consultants.
- Assessment of agricultural capability and land use designation provided for an estimated twenty applications.
- Complete approximately 400 subdivision, and 100 development plan, and respective by-law reviews in relation to provincial policies and regulations.

Actual Results

- Provided input on eight development plan by-laws and 12 development plan amendments to ensure policy support for the agricultural sector, deter unplanned rural residential development on agricultural land, and maintain pasture and cultivated land.
- Participated in 15 meetings with councils, planning districts and consultants to discuss land use proposals and policies. Participated in three Development Plan Technical Advisory Committees (RM of Hanover, RM of Springfield, Portage la Prairie Planning District) to ensure rural development occurs in a sustainable manner to maximize economic benefit and minimize land use conflicts. Provided

agricultural statistics, agricultural capability and annual crop inventory maps for 10 planning authorities to assist with local development plan reviews.

- Provided soil agricultural capability information and development plan policy interpretation for 20 foreign ownership exemptions under the Farm Lands Ownership Act.
- Reviewed approximately 500 agriculturally based subdivisions with approximately 15 objections issued.

Next Policy Framework (NPF)

Expected Results

- Launch NPF agri-environment programs in a timely manner.

Actual Results

- Developed assistance for agriculture producers, licensed commercial manure applicators, conservation districts and members to advance the adoption of BMPs that that AMCP improve agro-ecosystem resilience, build public trust and improve environmental sustainability in Manitoba.

Nutrient Management

Expected Results

- Promote 4R Nutrient Stewardship at 20 extension events to reduce P losses to surface water and N losses to the atmosphere while optimizing crop production.

Actual Results

- Featured 4R Nutrient Stewardship at 22 extension events, mostly targeting growers and agronomists/agri-retailers. Collected soil nutrient data and presented along with Nutrient Loading Calculator, as part of MBFI, to explain and promote nutrient management in extensive wintering of livestock.

On Farm Surface Water Management

Expected Results

- Ten extension events will address tile drainage as part of comprehensive water management.
- Technical support provided for six activities relating to on-farm water management principles and potential options. One on-farm study and regional water management to mitigate drought and flooding risks and reduce nutrient loads to surface water.

Actual Results

- Addressed production and environmental implications of tile drainage at 15 extension events, targeting growers, agronomists/agri-retailers and installers.
- Provided technical support for the following six activities related to on-farm water management, including:
 - BMPs for agricultural tile drainage in Manitoba fact sheets
 - BMPs for manure application on tile drained land for MLMMI
 - Interdepartmental Working Group for Agricultural Drainage Water Management applied research on drainage water management
 - On-farm demonstration projects
 - Regulatory development

- Land acquisition and site preparation for a four year study on various tile spacing on heavy clay soils at the Prairies East Sustainable Agriculture Initiative Inc. (PESAI) Diversification Centre.

Soil and Ag Weather Surveillance

Expected Results

- Soil samples collected and analyzed for flood forecasting purposes, and estimate of water available for next year's crop.
- Weather stations built on private land and connected into a network using IP addresses. Installation of soil moisture sensors at five cm and 20 cm. Both hardware and software revised to accommodate additional data. Real time weather data for air temperature, relative humidity, rainfall, wind speed/direction, and soil temperature is provided. Data reviewed for quality control and assurance to support Ag Weather modeling and flood forecasting.
- RM of Whitehead: soil pits dug and surveyed and lab analysis completed.
- RM of Cornwallis and Daly: maps completed for agriculture capability, irrigation, irrigated potato production, surface texture, drainage, erosion, topography, stoniness and salinity. In addition, provide six soil series map sheets, finalize soil polygon, attribute data and statistics.
- Custom soil viewer available on a dedicated public facing server, and current soil and weather data available on social media.
- Precipitation, growing degree days and corn heat units mapping provided weekly during growing season. Weather data provided to support Fusarium Head Blight, Potato Late Blight and the Winter Wheat Survival Modeling.
- Improved modeling and forecasting to provide quality and timely information.

Actual Results

- Collected and analyzed soil samples from 104 locations. Data was used to assess available crop water content for the 2018 growing season and for flood forecasting.
- Built 31 new weather stations, bringing the total to 109. All new stations were equipped with soil moisture monitoring capability at various depths.
- Completed more than 1,000 soil pits for the RM of Whitehead. Lab analysis currently underway.
- Completed the Soil Report for the RM of Cornwallis. Maps for the RM of Daly are currently in progress.
- The Soil viewer is published on Manitoba maps and compliments the AgriMaps viewer. The weather viewer was launched at Ag-Days 2018 and displays hourly updates of air temperature, relative humidity, precipitation, wind speed/direction, soil temperature and soil moisture.
- Added P-day and surface soil moisture maps to the 26 weekly precipitation, growing degree days and corn heat units maps.
- Purchased barometric pressure sensors to provide information for forecast models.

Soil Health

Expected Results

- Technical support related to soil health and quality, soil conservation or soil management provided for 15-20 extension events.

Actual Results

- Provided technical support to growers, agronomists and consumers related to soil quality, soil conservation or management at 28 extension events.
- Delivered Soil Health Workshop (offered at the MBFI Brookdale Farm) to 15 producers.
- Provided technical support to the Soil Conservation Council of Canada board and the Northern Prairies Ag Innovation Alliance (formerly Man-Dak) board.
- Conducted an on-farm applied research project to investigate the impact of soil compaction on hemp production.
- Co-led an applied research project to investigate the benefit of cover crops on soil moisture (with UofM and Anantara Agronomy Inc.).

Protection of Human, Animal and Plan Health

Soil and Ag Weather Surveillance

Expected Results

- Daily burn authorizations and permitting issued to ensure crop residues is effectively burned, while minimizing the negative effects of smoke to human health and safety.

Actual Results

- Issued a total of 114 permits during the regulation period in 2017. The improved weather network provides valuable information in administering the program.

4 (c) Agri-Resource

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2017/18 \$(000s)	2017/18 FTEs	2017/18 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	3,455	46.00	3,820	(365)	
(2) Other Expenditures	1,658	-	1,824	(166)	
Total Sub-Appropriation	5,113	46.00	5,644	(531)	

Appropriation 5 – Production and Economic Development Division

Mandate

Creates the environment that accelerates economic development in the agriculture, agri-food and agri-product value chain.

Appropriation 5 (a) – Industry Advancement

Mandate

Provide and gather information, deliver or path find programs and services, and transfer knowledge direct to sector stakeholders in a manner that advances the capacity of the agriculture, agri-food and agri-product sector to adopt best management practices, manage risk, capitalize on opportunities, adapt to challenges and strengthen industry organizations.

Program, Activities and Expected Results

Primary Agriculture Industry Development and Agri-Food and Agri-Product Development

Client Services

Expected Results

- Producers and processors have multiple channels to access department and government programs and services, strengthening their businesses and manage risk.
- Clients complete GF2 projects more efficiently.
- Clients receive more value in their interactions with the department; improved internal communication, and effectiveness in storing and sharing files and data.

Actual Results

- Extended agricultural and program information to over 16,000 clients, as well as promote availability of on-line content. Implemented a toll free MB Ag telephone number to provide a central source of information for clients.
- Referred over 1,900 clients for more specialized advice, resulting in the ability of clients to strengthen their businesses and manage risk.
- Provided support and referred GF2 inquiries to appropriate program leads.
- Implemented the 1-84GROW-MB-AG Client Service Toll-Free line.
Redevelopment of website in final stages, with client-centred approach matching the four client types identified with the CAP program.

Farm Enterprise Management

Expected Results

- Increased profitability and viability of Manitoba farms.
- Training projects for young farmers through GF2 - Growing Competitiveness – Next Generation that increases management skills and profitability.
- Financial advice provided to support 50 Bridging Generations Initiative clients.

- Increased capacity of producers to adopt best management practices, manage risk, capitalize on opportunities, adapt to challenges, and strengthen sustainability.
- A successful conference that provides information and tools to increase the competitiveness, sustainability and adaptability of young farmers.
- New models are developed and analyzed to increase new entrants to farming.
- Financial consultative services for up to 15 farm mediation cases.
- NPF programs will further farm profitability, competitiveness and sustainability.

Actual Results

- Updated 48 tools and resources, with two new cost of productions (COP) developed.
- Received 185 with respect to the GF2 - Growing Competitiveness – Next Generation program. Approved 15 new GF2 - Growing Competitiveness – Next Generation projects.
- Provided 27 clients with financial and program administrative advice associated with 29 loans as the Bridging Generations Initiative program winds down.
- Extended the farm management awareness message through one electronic newsletter distributed to over 700 clients, a booth at 19 industry events, 18 industry presentations and reactively through 1,493 interactions.
- Supported a successful Manitoba Young Farmers Conference (led by KAP). Over 120 aspiring and young farmers attended the event.
- Developed a concept paper that included the following: trends for Manitoba young farmers, challenges and obstacles faced by new and young farmers, resources that are currently available to young and beginning farmers and ideas for potential entry options of young and beginning farmers into the industry.
- Advised eight new immigrants and their business consultants on the economic opportunities to farm in Manitoba.
- Provided 35 financial consultative services for existing cases and seven new mediation cases to support the Farm Mediation Board process.
- Developed a "farmer - training and consulting program" under CAP - Ag Action Manitoba that helps farmers access training and consulting to expand farm business management skills, and supports decision-making.

Agrology Extension

Expected Results

- Increased profitably and sustainably of crop and livestock production; increased resilience to a changing climate.
- Knowledge transferred to northern community members and leaders to produce food for local consumption and sale.
- Producers improve decision making, profitability, and sustainability for their operations.
- Producers access a variety of programs to increase profitability, sustainability and resiliency at the farm level.

Actual Results

- Assisted with the delivery of 16 EFP workshops with over 75 participants.

- Extended agriculture and program information at more than 30 extension activities such as Crop Connect, Ag Days, Crop Days, Hog Days, Beef Week and field days.
- Provided information and technical advice to grow and preserve food through 51 hands-on workshops and 18 site inspections (garden and small flock) in Indigenous and northern communities.
- Provided sampling supplies for more than 270 water tests, soil sampling supplies to 57 clients, feed testing supplies to 287 clients, and age verification assistance to 45 clients.
- Supported delivery of 16 EFP workshops, 29 PID Auction Mart visits, eight Verified Beef Workshops, and 116 Young Farmer Crop Plan Credit Program applications.

Local Information and Analysis

Expected Results

- Crop Report produced weekly through the production season.

Actual Results

- Provided 25 weekly crop reports with 18,043 website visits from May 1 to October 31, 2017.
- Collected monitoring research data at over 220 sites for Diamondback moth, Bertha Armyworm, Grasshoppers, Swede Midge, canola diseases, fusarium head blight (FHB), Soybean disease survey and provincial soil moisture survey.
- Supported twice yearly Forage Price Survey and flood reporting on an as-needed basis in the spring.
- Increased the participation in the PID program through support of PID Auction Mart Project, with 30 Auction Mart visits which facilitated interactions with 855 clients and over 100 new or updated PIDs.

Public Trust Support

Expected Results

- Programming developed in the Next Policy Framework (NPF) to support industry's efforts to increase public trust in farming and food processing; increase public knowledge of agricultural practices.
- A collaborative approach to building public trust in by the agriculture and food industry is developed.
- Increased public awareness of the contributions that the agriculture and food industry makes to the economic development of Manitoba; increased consumer awareness of agriculture; including career opportunities in agriculture, and the impact of agriculture on the economy and everyday life.
- More informed agriculture and food industry decision making and strategy development on increasing public trust and understanding of consumer preferences for food product characteristics.
- The public's knowledge of agriculture in Manitoba is increased through Ag Fairs and other special events and activities of Agricultural Societies.

Actual Results

- Coordinated agriculture awareness activities in partnership with industry through Agriculture Awareness Day (75 attendees) and Farm and Food Awareness Week, which provided 62,508 online impressions via the department Twitter channel.
- Staff participated on the department Public Trust Team and collaborated with 16 industry partners on public trust initiatives. Engaged in Public Trust building activities in collaboration with industry partners with 13,791 participants at a number of venues throughout the province including: Ag in the Classroom-Manitoba, Discover Agriculture in the City, Farm to School Manitoba and Open Farm Day.
- Provided support to deliver tours and events such as Diversification Centre field tours, Hog Days, Beef Days, edible bean meetings and Crop Days.
- Created a public trust display to deliver research results and support public trust communications. Twenty-five staff participated in the Real Dirt on Farming speaker training to deliver Public Trust extension at tradeshow and events.
- Supported, 56 Ag Societies including providing \$226,000 for Education grants to support agriculture awareness through fairs and events, and \$95,000 to improve physical infrastructure to host events and activities.

Industry Leadership Development

Expected Results

- Increased capacity of 50 agriculture and food industry organizations to drive more value from Manitoba-produced commodities and food and agri-product processing.
- Over 2000 youth participate in the 4-H program, taking more than 2300 projects; over 800 volunteer 4-H leaders provide guidance to youth.
- Increase leadership capacity of over 350 rural women through Women's Institute programming and activities.

Actual Results

- Increased capacity of 113 organizations through 31 GF2 Growing Visions projects and 1,151 total views of Industry Leadership webinars.
- Had 1,907 4-H members participate in 138 active 4-H Clubs with 748 leaders and volunteers in 2,163 4-H projects, including 969 projects with agriculture and environmental focus.
- Increased leadership capacity of 558 rural women through programming and activities of the MB Women's Institute including two regional seminars attracting over 210 women.

5 (a) Industry Advancement

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2017/18 \$(000s)	2017/18 FTEs	2017/18 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	4,362	70.00	5,058	(696)	
(2) Other Expenditures	868	-	1,437	(569)	1
(3) Grant Assistance	598	-	616	(18)	
Total Sub-Appropriation	5,828	70.00	7,111	(1,283)	

1. The variance is primarily as a result of lower than anticipated operating requirements in support of the 4H program, expenditure management measures to limit discretionary spending, as well as lower costs due to branch vacancies.

Appropriation 5 (b) – Primary Agriculture

Mandate

Advance the competitive position of Manitoba’s primary agriculture production industry in the domestic and global marketplace in a manner that is sustainable and adaptable to evolving public, climatic, resource and economic conditions.

Program, Activities and Expected Results

Primary Agriculture Industry Development

Industry Development – Crops

Expected Results

- Areas of opportunity and focus for plant protein development have been identified and shared with industry.
- Producers and industry associations have undertaken initiatives that advance productivity, sustainability, profitability and innovation, and support processing opportunities.
- Strategies have been created with industry organizations to increase commodity supply for protein extraction, (e.g. increasing pea acres for increased pea protein extraction) resulting in increased economic activity and jobs.
- Climate change impacts on crops that drive significant economic value, and value-added or new opportunities in Manitoba have been assessed, to inform long term planning and adaptation efforts.
- Next Policy Framework programming is developed that supports industry development and sharing of knowledge with industry organizations.
- Options for new and young farmers’ entry into the industry have been developed.
- Issues impacting public trust have been identified and steps taken to connect production with consumer needs.

Actual Results

- Investigated the protein accumulation in soybean and field pea crops based on variety, production location and environmental conditions during growing season through collaboration with crop commodity groups.
- Facilitated discussions between Roquette Canada Ltd. and farmers on the opportunity to grow peas (conventional and organic); created an Environmental Farm Plan chapter on field peas to increase sustainability in production; supported crop variety trials at Diversification Centres.
- Collaborated with commodity groups, producers and processors to procure and promote locally processed grains and oilseeds. There were approx. 21 projects related to the grain and oilseed industry that were approved for approximately \$2.01 million under the Grain Innovation Hub.
- Updated and distributed Seed Manitoba on crop variety performance throughout Manitoba. Decision tools and resources provided to farmers to reduce production and management risk (see 5a for details on these resources).

- Conducted variety evaluation for grain corn, soybean and sunflower to promote crops resilient to climate change. Supported intercropping work conducted at Diversification Centres.
- Provided technical expertise in developing programs that will address adoption of best practices at the farm level and to support on-going initiatives in horticulture research, water quality monitoring, improved risk assessments and pest mitigation measures.
- Collaborated with other department branches to determine opportunities and barriers for young farmers. Worked with MASC to determine financing barriers to young livestock producers.
- Collaborated with SD and industry on a surface water quality monitoring program for presence of neonicotinoids to address concerns of pesticide presence and gather data for scientific review.
- Worked with MPSG and Roquette Canada Ltd. to support sustainable production and processing requirements.
- Evaluated soil capabilities, environmental growing season patterns and current crop production to investigate suitability of increased acreages of soybean, grain corn, potato and field peas.

Industry Development – Livestock

Expected Results

- Areas of opportunity for additional livestock protein development identified and shared with industry.
- Industry-led assurance systems to enhance public trust of the livestock industry.
- Climate change impacts on livestock that drive significant economic value and value-added or new opportunities in Manitoba have been assessed.
- Next Policy Framework programming is developed that supports livestock industry development.
- Industry association leadership has increased shown through strategy development by Industry associations to increase economic development.
- Maintenance of large animal veterinary services in rural Manitoba to support livestock industry development.
- Producers have connected with the needs of processors for livestock commodity characteristics.
- Sustainable livestock proposals are developed; greater understanding by proponent and municipalities of the approval process is achieved; sustainable projects are considered and approved in a timely manner.
- The beef industry developed a coordinated strategy to increase beef production.
- The sheep industry has increased breeding stock and adequate supply of market lambs for value-added processing.
- Livestock production models to meet market demands and increase return to livestock producers have been evaluated and information extended to industry associations. (e.g. through Manitoba Beef and Forage Initiatives)
- Provincial policy development is enhanced through science-based evaluations.

Actual Results

- Developed a Livestock Protein plan for growth in animal protein production and processing. Organized an aquaculture summit attended by 50 value chain stakeholders. Provided technical support to the Western Opportunity Leadership Group soybean crush development committee and tested Manitoba soybeans to determine feeding value. Coordinated discussions between a pea processor and feedlots in the Portage area about opportunities for feeding pea co-products.
- Commenced the transitioning of industry to an on-farm poultry breeder flock premise inspection and testing programs and continued to provide administration to support exports of poult, chicks, hatching eggs and market turkeys to the United States. Audited on-farm premises inspection conducted by DFM to improve milk quality. Acted as a reviewer and member of the assessment committee for the national on-farm assurance program to the turkey industry.
- Conducted applied research and demonstration projects to evaluate and promote sustainable production practices in areas of shelter belts, wet land assessments, plants encroaching on native grasslands and polycropping to increase crop diversity.
- Consulted with over 20 livestock and crop industry associations on CAP programming. Developed and evaluated incentive programs for food safety, biosecurity, animal health and welfare, traceability, productivity and a collaborative marketing program.
- Supported the Manitoba Sheep Association drafting a growth strategy (Vision 2020). Developed programming to increase sheep productivity under CAP-Ag Action Manitoba. Supported the leadership of MBP in training their staff to conduct on-farm risk assessment (OFRA) for bovine Tuberculosis (bTB). Supported MBP with the Verified Beef Program (VBP). As of March 31, 2018 there were 443 Manitoba producers registered for VBP accounting for over half of the 850 Canadian beef producers participating in the program.
- Supported rural veterinary practices through provincial grants of \$479,000 to 27 Veterinary Service Districts and provided the Large Animal Veterinary Program 10 scholarships totalling \$50,000. Awarded eight Veterinary Sciences Scholarships worth \$1,125 each. Provided experience and employment to 17 students in the Veterinary Student Temporary Employment Program.
- Investigated the feasibility of a marketing agency to aggregate uniform loads of lambs for processor specifications. Assisted approval processes for new lamb production units. Supported site development of a potential lamb processing plant in Southeastern Manitoba. Developed a CAP-Ag Action Manitoba program that will provide farmers up to \$50,000 towards projects focused on distribution and marketing alliances.
- Completed a final report for the Manitoba Canadian Model Aqua-Farm Initiative (M-CMAFI) for development and construction of a state-of-the-art, indoor, commercial, land-based, freshwater aquaculture production systems outlining standards for biological, technological, financial and environmental performance to support Manitoba aquaculture growth.

- Consulted the beef sector on how CAP programming could benefit the industry. New CAP programming will help to address sector priorities including sustainability, training, and financial management.
- Worked with a local investor group to coordinate and source funding for university and AAFC research trials of a natural plant extract and its potential to replace antibiotics in cattle, swine, and poultry diets. Supported enhancements to the swine housing viewing and demonstration area at the Farm and Food Discovery Centre at Glenlea Research Station.
- Completed 12 presentations and facilitated nine sheep meetings providing production knowledge for producers to double flock size. Assisted in a sheep symposium and extended a sheep tour.
- Supported the approval process for the expansion of a sheep producer by assisting in navigating the regulations and attending a conditional use hearing. Participated in the Open House for swine producer, which was subsequently approved for expansion in the Killarney area.
- Updated 14 COP guides and calculators for aquaculture, bison, and dairy and forage producers. Introduced two novel calculators for bison fence cost and an aquaculture COP.
- Supported responsible land use planning by providing technical expertise for updating the calculators for land application of manure and water intake of livestock operations. Drafted a regulatory guide on aquaculture in Manitoba.

Production Extension – Crops

Expected Results

- Vulnerabilities to climate variability are assessed to inform strategy development on specific crops.
- Program information and agronomy information is extended to clients related to crop production, landscape management, farm management and food safety.
- Effective provincial programs and initiatives have been developed in the crop sector; increased productivity and farm profitability by providing risk mitigation information and recommendations to producers and agribusinesses.
- Producer knowledge on pea production, with increased growth in pea acres to meet processor demand.
- More efficient use of nitrogen and reduction of phosphorus (P) in runoff of water off the land to waterways, and less non-point source addition of P into waterways.

Actual Results

- Collaborated with Agri-Resource Branch and supported activities at Diversification Centres to test new varieties agronomic practices that could reduce the carbon footprint of production (intercropping).
- Evaluated soil capabilities, environmental growing season patterns and current crop production to investigate the suitability of increased acreage of soybean, grain corn, potato and field peas.
- Published seasonal weekly Crop Report (25 editions) through numerous internal and external information providers. Delivered 24 CropTalk webinars and posted

on YouTube channel. Conducted 6000 interactions with farmers through extension events and individual discussions.

- Trained 446 producers, consultants and staff representing nearly all arable acres in Manitoba at Crop Diagnostic School. The Horticulture School trained 84 participants. The Manitoba Agronomists Conference trained 401 participating farmers, agronomists and industry personnel.
- Held pea production meetings with farmers and industry representatives to provide targeted training on pea production. Connected pea growers to Roquette Canada Ltd. for pea production opportunities. Delivered pea production session at Manitoba Agronomist Conference and regional meetings.
- Trained 450 private and public agronomists at Crop Diagnostic School on efficient use of fertilizer to promote growth, yield and protein and increase plant use efficiency. Collaborated with Fertilizer Canada and commodity groups to promote joint training opportunities for producers and agronomists.

Production Extension – Livestock

Expected Results

- Approaches to assist producers to adapt to carbon taxation have been identified and are evaluated and discussed with industry.
- Vulnerabilities to climate variability are assessed to inform strategy development on livestock development.
- Extension events and projects on crop production, landscape management, farm management and food safety have been developed including a provincial event, a provincial tour and 15 fall/winter extension meetings.
- Holistic management events and field demonstrations for Manitoba producers have been delivered.
- Delivery of technical expertise, cost of production budgets, benchmarking and other tools that assist in the evaluation of opportunities in developing and establishing specialty production areas.
- Pasture assessments that ensure sustainable grazing practices on provincial community pastures; improved productivity and ecological practices.
- Development of new marketing programs. Demonstration on improved cattle weaning practices.
- Demonstration of improved cattle production systems.
- Demonstration of sustainable livestock production practices; enhanced public trust.

Actual Results

- Delivered planned grazing demonstration and illustrated the impact of planned grazing on forage, soil and cattle health, productivity, economics, profitability, health of soil, forage and grassland health, productivity, nutrition, feed efficiency and animal health and welfare. Planned grazing trials contributed to soil carbon monitoring.
- Collaborated with the University of Winnipeg in an International Drought project to understand the impact of a drought caused by climate change and other factors.

- Delivered the provincial Beef and Forage Week to 474 attendees, delivered and spoke at 17 extension meetings to 530 attendees and wrote eight technical articles for Cattle Country to advance livestock industry. Updated the Manitoba calving and herd management book and distributed to Manitoba cattle producers.
- Delivered Planned Grazing talks to 45 producers at two local holistic management Open Gate Farm Tours. Continue to work with SK and AB to plan the Western Canadian Holistic Management Conference that is held every third year in Manitoba.
- Updated the bison and aquaculture COP budgets so that producers can calculate their potential returns for production. Updated the aquaculture site assessment program which assists new producers in identifying potential sites for farmed fish operations.
- Delivered a Range Implementation Management Group (RIMG) update at the Association of Manitoba Community Pastures (AMCP) Annual General Meeting. Worked with AMCP on the use of a Grazing Response Index (GRI) and pasture management. Evacuated 11 of the 20 community pastures.
- Provided advice to beef producers and MBP on approaches for managing the anaplasmosis health status of the provincial herd.
- Planned and delivered the Extended Grazing and Wintering Project at MBFI. Conducted an extension event at the Brookdale farm for 40 attendees and delivered an extended grazing presentation in Deloraine for 22 attendees. Shared results of a MBFI planned grazing system to the Canadian Ag Extension Tour with 30 attendees, delivered two Open Gate Farm Tours (Holistic Management) with 45 attendees and to a Manitoba Agriculture ACL branch meeting with 15 attendees. Completed a mob seeding applied research trial MBFI is investigating this technique as a potential low cost method of improving low productivity pasture. Demonstrated how cattle manure and other sources of phosphorus can improve alfalfa productivity.
- Assessed riparian areas at MBFI as part of a multi-year project to identify management impact on ecology. Demonstrated how shelterbelts improves ecosystems and biodiversity. Monitored nutrient run off at MBFI to better predict and manage nutrient movement on a field.

Applied Production Research

Expected Results

- Increased awareness and adoption of profitable and sustainable crop production practices targeted to current value chains and emerging market opportunities.
- Producer adoption of new/improved production practices for field, medicinal, industrial, and horticultural and forage crops, including weed, insect and disease control, crop nutrition, and soil and water management.
- Decreased producer production risk through completion of variety trials. Varietal data published in Seed Manitoba. New crop types/varieties established in Manitoba.
- Development of infrastructure and expertise that supports extension capabilities of Brandon farm (MBFI). Demonstration research projects have been planned and undertaken in the area of grazing and livestock management practices;

increased forage productivity and increased profitability and long term growth of the cattle industry.

Actual Results

- Held 10 field and crop tours, attracting over 500 producers and agronomists. Extended results of applied production research at over 20 industry events and conferences such as: Crop Connect, Ag Days and the Brokenhead Ag Conference.
- Tried new crops and management systems, such as hemp, peas, quinoa, and intercropping systems, to help manage income risk with diversified crops.
- Completed 173 projects at Diversification Centres (DC) representing 8954 research plots. Data from crop variety trials were published in Seed Manitoba.

2017 Applied Production Research Trials	Westman Agricultural Diversification Organization	Prairies East Sustainable Agriculture Initiative Inc.	Canada-Manitoba Crop Diversification Centre	Parkland Crop Diversification Foundation
Total # Trials	52	45	30	46
# of Plots	2879	1942	1941	2192

Crop Trials	Westman Agricultural Diversification Organization	Prairies East Sustainable Agriculture Initiative Inc	Canada-Manitoba Crop Diversification Centre	Parkland Crop Diversification Foundation
Cereal	20	16	11	21
Oilseed	9	6	6	8
Special Crops	7	7	7	7
Pulse	4	15	2	4
Forage				1
Potato			3	
Other	12	1	1	5
Total	52	45	30	46

- Installed winter water systems at Brookdale Farm, establishing MBFI as a leader for winter grazing research. Assisted in trials by six researchers from Brandon University, University of Winnipeg, and AAFC addressing soil health, pasture rejuvenation, leafy spurge control, nutrient management and rangeland ecology during a drought. Collaborated with Assiniboine Community College's (ACC) mechanical program to provide students work experience.

Protection of Human, Animal and Plant Health

Plant Health and Pathology

Expected Results

- Strategic partnerships developed to facilitate increased surveillance, diagnostic capability, and disease/pest risk forecasting.
- Reduced production loss through early detection of disease by diagnosing 1,000 crop samples for plant diseases, herbicide injury, and insect damage; and identification of weeds and insects.
- Early detection and mitigation of pests and disease through information shared in national and provincial surveillance/biosecurity programs. Reduced production losses through timely generation and distribution of disease risk forecasts.
- Improved provincial certification programs training applicators in safe handling and application of products. Increased integrated pest management through delivery of a licensing program and, together with ACC, training delivered to pesticide dealers, applicators and manure applicators.
- Development of qPCR capacity for Clubroot detection, quantification and distribution within Manitoba.
- Publishing of insect, disease, and weed provincial survey results and the extension of appropriate control measures to the agriculture industry.
- Increased levels of plant health, food safety and biosecurity on farm.

Actual Results

- Co-ordinated, conducted and summarized provincial crop related surveys in collaboration with commodity groups and industry. Monitored pests in the crop production season including diamondback moth (94 sites), bertha armyworm (86 sites), grasshoppers (75 sites), fusarium head blight in wheat (92sites), blackleg/sclerotinia/clubroot in canola (93 sites), foliar/root rot in soybean (34 sites).
- The Crop Diagnostic Lab diagnosed 711 samples resulting in 1115 diagnosis for plant disease, herbicide injury, insect damage, weed and insect identification.
- Supported the surface water quality monitoring surveillance program at 33 surface water and eight ground water sites for neonicotinoid pesticide presence. Data was provided to Pest Management Regulator Agency and Manitoba Crop commodity groups. Conducted surveillance of insects at 259 sites and disease at 219 sites.
- Collaborated with the Pest Surveillance Initiative Lab, to collect and analyze 26 soil samples at the township level for clubroot in canola. Updated maps on cumulative results were released and discussed at Ag Days to maximize producer and industry awareness.
- Co-ordinated, edited and produced 25 issues of the Manitoba Crop Report, 13 issues of the Manitoba Insect and Disease Report and 24 recorded CropTalk webinars; providing information on regional crop development progress, crop conditions, pest pressures.
- Participated in discussions with provincial and federal stakeholders on plant health, food safety and biosecurity on farm. Targeted grain and oilseed, horticulture and apiary industries.

Animal and Bee Health

Expected Results

- Increased levels of animal care, animal health, food safety and biosecurity on farm; will result in increased public trust in livestock production.
- Reduction of risk of the spread of bTB from wild elk/ deer to domestic livestock through the allocation of funding for the construction of barrier fences around livestock feeding areas in the RMEA. Pilot projects, and initiatives such as 3D fencing and the guardian dog program.
- Improved bee health through early detection and treatment of disease. Increased provincial cross-border movement of bees through inspection of honey bee colonies/leaf cutting bee operations; adaptation to national regulations.
- Decreased impact of emergency events on farm profitability, herd health and faster return to markets for Manitoba livestock.

Actual Results

- Supported DFM's somatic cell, bacteria and antibiotic testing programs by providing on-farm milk quality trouble shooting services for producers in a penalty situation for milk quality. Participated in a promotion of Premises Identification (PID) at auction marts. The promotion increased cattle PID adoption by 10%.
- Evaluated and demonstrated 3-D fencing as an economical alternative to traditional fences and resulted in a reduction in deer and elk traffic at feeding areas and stockyards. Monitored the patrolling behaviour of two livestock guardian dogs with GPS collars. Promoted results at a producer meeting in Grandview. Chaired and provided secretariat support for the TB Task Team. Coordinated field activities of federal and provincial agencies under the Manitoba Bovine TB Management Plan. Developed and administered a grant to encourage the participation of producers in the Riding Mountain Eradication Area in surveillance at processing for bTB by linking their PID to the national animal movement database resulting in reduced live animal testing.
- Provided two grants for bTB fencing programs, 66 grants for PID and 4 grants for OFRA for a total of \$233,555.
- Inspected 4,324 honey bee colonies for American Foulbrood, European Foulbrood and small hive beetle; 44 leafcutter operations for Chalkbrood; 489 colonies for inter-provincial movement. Detected five cases American Foulbrood, zero small hive beetle and nine cases of Chalkbrood.
- Liaised with industry during the 2017 PEDv outbreak, supported trace in/trace outs and sampling of high traffic areas. Conducted a survey of 75 swine operations that remained disease free and results were presented to over 400 attendees of the Manitoba Swine Seminar. Participated on the national Livestock Market Interruption Strategy steering committee and livestock specialists were trained in the Incident Command System to support a coordinated response.

Food Safety – On Farm

Expected Results

- National and provincial food safety/biosecurity programs developed and promoted. Safer food and food products through increased producer/processor awareness and participation in food safety programs.
- GF2 projects that support the introduction by industry associations of new certification programs, testing protocols, and on-farm practices; related to animal welfare, food safety and biosecurity.

Actual Results

- Offered Biosecurity workshops through GF2 program and participated in animal health emergency management workshops in collaboration with the CFIA, AAFC, and Canadian Animal Health Coalition. Completed three year PEDv high traffic monitoring projects.

Regulation, Licenses and Permits

Expected Results

- Improved provincial certification programs training applicators in safe handling and application of products. Increased integrated pest management through delivery of a licensing program and with ACC, training delivered to pesticide dealers, applicators and manure applicators.
- Respond to federal requests for comment on changes in regulation impacting crop and bee production. Responses submitted to the federal legislators on changes in regulations impacting crop and bee production. Responses to animal care and odour complaints and guidance to producers in meeting the standards under The Animal Care Act and The Farm Protection Act
- Licensing and bonding of livestock dealers and investigation of complaints of dealer defaults.
- Respond to federal requests for comment on changes in regulation impacting crop and bee production. Provide extension, support, and feedback on changes to federal/ provincial legislation. Responses submitted to the federal legislators on changes in regulations impacting crop and bee production.

Actual Results

- Consulted with Assiniboine Community College about administering the training program for certification of pesticide and manure applicators. Verified requirements and issued licenses under the Pesticide and Fertilizer Control Act to 1,362 pesticide applicators, 362 pesticide vendors and 55 manure applicators.
- Conducted surface water quality monitoring program for presence of neonicotinoids to gather Manitoba specific data for submission to the re-evaluation of Thiamethoxam, Clothianidin and Imidacloprid. Participated in discussion on the proposed re-evaluation of pesticides used in Manitoba primary production. Worked with a processor and industry consultant to review and update handling guidelines for transporting geese and ensure they meet or exceed animal care regulations.
- Licensed over 140 livestock dealers and agents. One report of potential default was investigated and resolved. Maintained the Brand Registry for cattle and horses LLPA. Currently, there are over 2,300 active registered brands.

- Distributed livestock manifest books that provide proof of ownership and support movement of livestock into provinces with mandatory livestock inspection. Initiated discussions on formatting the manifest as a single document meeting the needs of LLPA, provincial Bills of Lading and Rules of Carriage Regulation and pending federal animal movement regulations. Participated in the Traceability Task Team and Regulatory Implementation Committee to coordinate the pending implementation of national animal movement regulations.
- Participated in on-farm visits and submitted reports on investigation of two animal care complaints.
- Licensed over 140 livestock dealers and agents. One report of potential default was investigated and resolved. Maintained the Brand Registry for cattle and horses LLPA. Currently, there are over 2,300 active registered brands.

5 (b) Primary Agriculture

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2017/18	2017/18		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	5,345	66.00	5,771	(426)	
(2) Other Expenditures	1,002	-	1,022	(20)	
(3) Grant Assistance	913	-	965	(52)	
Total Sub-Appropriation	7,260	66.00	7,758	(498)	

Appropriation 5 (c) – Food and Agri-Product Processing

Mandate

Strengthen the competitive position of Manitoba's agri-food and agri-products processing industries in the domestic and global marketplace and advance the growth of the Manitoba food and agri-processing industry.

Program, Activities and Expected Results

Agri-Food and Agri-Product Development

Small and Medium Business (SME) Development

Expected Results

- Acceleration of product commercialization, market access, and productive capacity among Manitoba's small to medium-sized food, bio-mass, and bio-fuel processors. Growth of existing food and agri-product processors with a series of 10 workshops on food enterprise development, with 120 participants.
- Unnecessary red tape is reduced, providing time and cost savings to start and expand businesses.
- Food and agri-product processors receive relevant and timely information to access department and government programs and services to strengthen their businesses and manage risk.
- Agriculture and food industry associations and entrepreneurs receive information and intelligence on opportunities that inform their business decisions.
- Increased capacity of Manitoba food processing and agri-product companies to succeed at domestic and international trade shows; resulting in increased sales.
- Approaches to increase collaboration with other service providers have been implemented; Next Policy Framework programming has been reviewed and developed/improved for implementation in 2018/19.
- GF2 - Growing Value – Transformation and Commercialization Programs completed, with increases in Manitoba commodities processed, economic activity, and jobs created/maintained.

Actual Results

- Accelerated product commercialization, market access and production capacity of small and medium-sized agri-food processors through 18 workshops, with 305 entrepreneurs and 90 professionals participating. In partnership with Entrepreneurship Manitoba, 18 participants attended the Entrepreneur Boot Camp, a learning, networking, mentoring and competitive event that supports agriculture and food enterprises. Hosted Value Added Ag Breakfast Panel Discussion at Ag Days 2018 with 28 participants.
- Provided pathfinding and services to industry to facilitate compliance with regulations and program access. Support included providing regulatory and technical food safety requirements for food and agri-product businesses, facilitating communication with agencies such as the Office of the Fire Commissioner.

- Interacted with 1,540 clients, an increase over the previous year by 359 interactions (30.4 per cent).
- Increased total intake through the FDC by 2.4 per cent to 87 clients.
- Increased clients seeking FDC services by 8 per cent to 54 clients for the year.
- Increased clients seeking MB Ag or other government services increased 22.1 per cent to 83 clients for the year.
- Conducted Food and Agri-Product Client Survey with 124 companies representing \$2.1 billion of the \$4.4 billion value of Manitoba's food and agri-product processing sector in 2017. Identified barriers to growth, potential growth in sector, identified funding and program needs that will inform future service and program development as well as red tape reduction opportunities.
- Supported 26 agri-food clients to build their business capacity and skills at four domestic trade shows. A total of 1,500 business-to-business contacts and buyers were made, markets were expanded across Canada, the US and Internationally to Brazil, China, Japan, South Korea, Central America, Columbia, Dominican Republic and India. Expected sales growth in the following two years is \$2.4 million.
- Collaboration with AAFC, Food and Beverage Manitoba (FABMB), commodity associations and Manitoba Small Business Connections Network to support value-added development. Developed CAP-Ag Action Manitoba value-added programs through collaboration with FABMB.
- Received 114 applications from the GF2 - Growing Value Commercialization, with 43 approved for grants totaling \$2.3 million; total project value at over \$11.5 million; 214 new jobs were created; and the use of Manitoba-produced inputs was forecast to grow from total purchases of \$24.3 million per year to \$57.2million per year within 3 years (33 per cent compound annual growth rate). The Growing Value – Transformation program approved 19 projects for total grants of \$14.5 million; project value of \$115.7 million; 181 new FTE jobs were added; 2,749 jobs were retained; and the use of Manitoba agri-inputs was forecast to grow from \$43.1 million per year to \$66.5 million per year within three years (compound annual growth rate of 15.5 per cent).

Industry Development

Expected Results

- A strategy to further develop Manitoba's protein sector with positive impacts to producer profitability, jobs and economic activity at the industry level.
- Increased capacity of Manitoba's workforce to meet industry employment demands and requirements.
- An increase in the value of organic consumer ready and food service products and ingredients.
- Increased organic primary production, organic food products and ingredients for retail and food service markets.
- A functional foods and nutraceuticals strategy will be developed that identifies opportunities and positions Manitoba for further retail, food service and export development.

- Increased value of functional foods and nutraceutical products commercialized from MAHRN-supported activities.
- Increased consumer knowledge on availability of Manitoba foods and increase sales for producers and processors.
- Collaborative model options are developed with options for industry and government consideration.
- Work with industry, government and non-governmental organizations to identify and address the barriers to higher value processing of agri-products. (e.g. fibre retting constraints)

Actual Results

- Contributed to the development of a protein strategy and continue to align it with emerging opportunities and its ongoing implementation. Established a connection with Protein Industries Canada (PIC) led superclusters as it moves forward with industry and other provincial jurisdictions to research and develop protein opportunities. Maintained a direct connection to US – CDN Protein Highway activities.
- Worked with processors to align services such as Employment Centres and Manitoba Provincial Nominee program to source labour for ongoing and expanded processing operations. Provided three presentations on the state of the agriculture and processing workforce to employment agencies and training centres. Delivered two presentations to industry groups on resources and programs for labour and human resource management. Worked with the food processing industry association, to ensure Sector Council programming and funding addressed the needs of the industry for labour force development and advancement of the sector as a whole.
- Facilitated four Manitoba processors organic certification and expansion of organic processing capacity of another. The department helped to connect these processors plus others based outside of the province with MB-grown organic products.
- Manitoba increased organic acreage to 112,000 acres, an increase of 22 per cent over 2015 adding 16 new organic producers. Provided production and marketing training to new operators through workshops, conferences and farm tours. Partnered with the Manitoba Organic Alliance to offer the Prairie Organics tradeshow and conference in Brandon with participation from 500 operators and industry members.
- Developed a Food Ingredients Strategy with action plans to support Manitoba food processors, retailers, food service and export development is in process.
- Developed fourteen prototypes suitable for food service through Red River Culinary Institute. The virgin canola oil project was transitioned to a grower-led company with protein quality of press cake benchmarked. The National Sunflower Association of Canada project has proceeded with a patent application. The Canadian Climate Advantage Diet (CCAD) research project showed a potential link between glucose levels and adherence to the CCAD diet.
- Supported FABMB through GF2 to increase retail and food service penetration of Manitoba-produced foods. Providing partnership and funding support to the Capacity Building Program with FABMB, 164 food processing companies

indicated an additional \$6 million in sales specifically with three major retail outlets in Manitoba and this growth resulted in creating 100 plus jobs.

- Developed FABMB collaborative marketing models to be considered in 2018/19.
- Conducted the Food Client Survey with 124 companies representing \$2.1 billion out of the \$4.4 billion value of Manitoba's food processing sector in 2017. The survey identified barriers to growth, potential growth in sector, identified funding and program needs, red tape issues and general health of sector in Manitoba. Strategies are being developed to help address these areas.
- Worked with Canadian Hemp Trade Alliance to identify barriers and development opportunities for whole plant processing in the changing cannabis environment.

Food and Agri-Product Commercialization

Expected Results

- An increase in licensed processing capacity across Manitoba available to micro and small-scale food processors; increased sales of products from micro and small food businesses.
- Six entrepreneurs have explored or commercialized protein and extraction projects.
- Ten food and agri-product companies have accessed The Commercialization Support for Business (CSB) and other programs.
- Increased biomass processing capacity and commercialization of biomass products. (see 5D for the Manitoba Biomass Energy Support Program)
- Eight food entrepreneurs are provided industry feedback and mentoring to commercialize food products.

Actual Results

- Funded eight Commercial Community Kitchen (CCK) grants for a total of \$83,700. Added nine CCK to the approved listing – bringing the total of CCK available for food processing to 41.
- Worked with companies to establish or expand protein processing including Roquette Canada Ltd. Canada (\$400 million pea protein in Portage la Prairie); MDI (\$100 million butter and milk protein solids in Winnipeg); HyLife Foods (\$150 million pork processing expansion (Neepawa) and feed mill (Killarney); Winkler Meats (\$1.6 million pork processing enhancements). More than 10 other companies were working on products that fit within the protein sector.
- Approved three companies for GF2 funding under the Growing Value – Transformation program totalling \$2.3 million to support transformation projects within their operations.
- Supported 17 biomass projects including seven research and development projects and three biomass processors who more than doubled their biomass processing capacity. See 5d Manitoba Biomass Energy Support Program for more details.
- Thirteen entrepreneurs competed in an event (10 in the food category and three in the beverage category) to accelerate commercialization of new products.

Industrial Development

Expected Results

- Growth companies have been identified and provided technical assistance to further development plans.
- Establishment of new or expanded food and agri-product enterprises in Manitoba; increase in jobs and economic activity in food and agri-product processing.
- A strategy has been developed and implemented to support profitable production of commodities to match processor needs (e.g. pea supply).

Actual Results

- Assisted 15 prospective Manitoba based companies (including those with head offices outside the province). This included site selection assistance, program assistance and training, working with economic development agencies and other third party agencies to attract investment, the federal government through AAFC and Federal Trade Commissioners. Other major partners in efforts included GET, Manitoba Hydro and municipalities.
- Secured J.R. Simplot \$460 million potato processing plant expansion (87 new processing jobs, doubling of production and potatoes required (Portage la Prairie); HyLife Foods completed a \$150 million expansion of its processing plant (98 jobs in Neepawa) and feed mill (20 jobs in Killarney). Assisted nine prospective projects looking at Manitoba (site selection assistance, program assistance, labour and permitting).
- Collaborated with Primary Agriculture branch to develop and support growth in pea production, soy bean processing, potatoes, and sheep herd expansion and processing.

5 (c) Food and Agri-Product Processing

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2017/18	2017/18		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	2,114	26.00	2,322	(208)	
(2) Other Expenditures	367	-	498	(131)	
(3) Grant Assistance	84	-	350	(266)	1
Total Sub-Appropriation	2,565	26.00	3,170	(605)	

1. The variance is due to program implementation delays.

Appropriation 5 (d) – Manitoba Biomass Energy Support Program

Mandate

Provide support in the transition to the processing and use of biomass for heating in place of coal.

Program, Activities and Expected Results

Agri-Food and Agri-Product Development

Capital Incentives

Expected Results

- Reduced coal consumption in Manitoba to reduce GHG emissions; increased market demand for and supply of processed biomass energy products; (e.g., pellets).
- Increased adoption of biomass as a major renewable energy source for space and water heating, and improved industry capacities in order to tap into other potential markets. (e.g., replacing natural gas, propane)

Actual Results

- Provided over \$300,000 to eight coal users to assist them in transitioning away from coal to renewable biomass fuel. An additional \$92,000 was provided to three biomass processors to support their production of biomass in Manitoba.

Research and Development Grant

Expected Results

- Improved biomass production efficiency, processing capacities and boiler performances. Improved competitiveness of the biomass energy sector; reduced amount of stubble burning; enhanced industry knowledge of renewable alternatives to reducing GHG emissions.

Actual Results

- Provided \$500,000 to seven research and development projects. This funding supported projects that investigated alternative uses for biomass, biomass market development and utilization of waste biomass for energy production.

5 (d) Manitoba Biomass Energy Support Program

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2017/18	2017/18		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
Grant Assistance	864	-	1,000	(136)	
Total Sub-Appropriation	864	-	1,000	(136)	

Appropriation 6 (a) – Amortization Expense

Mandate

Comply with Public Sector Accounting Board (PSAB) standards and government policies and guidelines respecting the treatment of tangible capital assets. Amortization is incurred on laboratory equipment purchased for diagnostic testing of animals by the Veterinary Diagnostic Services (VDS) Laboratory to protect human health from zoonotic diseases and animal health from serious diseases.

Protection of Human, Animal and Plant Health

Amortization of VDS Laboratory Tangible Capital Assets

Expected Results

- Recognition of amortization consistent with government and PSAB policies and guidelines.
- Cost of capital assets allocated consistent with the period of service and useful life of the asset. Charges for TCAs are amortized, expensed and reported as required.

Actual Results

- Amortization costs were recorded consistent with government and PSAB guidelines.
- Charges for amortization were recorded consistent with the period of service and useful life of the asset.

Appropriation 6 (b) – Interest Expense

Mandate

Provide for interest costs related to capital investment decisions made by the department. Interest is incurred on capital investments made for new laboratory equipment purchased for diagnostic testing of animals by the Veterinary Diagnostic Services (VDS) laboratory to protect human health from zoonotic diseases and animal health from serious diseases.

Protection of Human, Animal and Plant Health: Interest Expense re VDS Laboratory Capital Investments

Expected Results

- Provision of financing costs for capital investment related to the department.

Actual Results

- Interest costs are accurately reflected in all financial statements and consistent with the period of service and useful life of the department's tangible capital assets.

6 Costs Related to Capital Assets

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2017/18 \$(000s)	2017/18 FTEs	2017/18 \$(000s)	Over/(Under) \$(000s)	
(a) Amortization Expense	225	-	245	(20)	
(b) Interest Expense	65	-	69	(4)	
Total Appropriation	290	-	314	(24)	

**SECTION ONE
PART B
CAPITAL INVESTMENT
INFORMATION**

Part B – Capital Investment

Mandate

Provide for the acquisition of tangible capital assets needed in the Veterinary Diagnostic Services (VDS) laboratory within the Animal Health and Welfare Branch to protect human health from zoonotic diseases and animal health from serious diseases.

Protection of Human, Animal and Plant Health

VDS Laboratory Capital Assets

Expected Results

- The department has invested in updating and replacing aging laboratory equipment.
- The investment supports continuity in service delivery and surveillance efforts.

Actual Results

- Invested \$323,198 in new laboratory equipment.
- Capital asset purchases ensured VDS continued to provide non-interrupted service delivery to provincial animal welfare investigations and animal disease response and surveillance activities. It also ensured required animal health testing was available to livestock and companion animal veterinary clients. Last year VDS performed 149,576 tests.

Part B - Capital Investment

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2017/18	2017/18		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(a) General Assets	323	-	552	(229)	1
TOTAL	323	-	552	(229)	

1. The variance is as a result of a delay in the construction portion of the post-mortem lab monorail project.

Sustainable Development Act

Manitoba Agriculture is committed to the principles and guidelines set out in The Sustainable Development Act and works to incorporate them in department activities, programs and business practices. The section below outlines the activities of Manitoba Agriculture for 2017/18.

The principles and guidelines of sustainable development as set out in the act are:

Principles of sustainable development

- Integration of Environmental and Economic Decisions
- Stewardship
- Shared Responsibility and Understanding
- Prevention
- Conservation and Enhancement
- Rehabilitation and Reclamation
- Global Responsibility

Guidelines of sustainable development

- Efficient Use of Resources
- Public Participation
- Access to Information
- Integrated Decision Making and Planning
- Waste Minimization and Substitution
- Research and Innovation

To see the full *Sustainable Development Act* visit:
<http://web2.gov.mb.ca/laws/statutes/ccsm/s270e.php>

Manitoba Agriculture continues to create an environment that accelerates growth in the agriculture, agri-food and agri-product industries. The three main areas of focus are primary agriculture industry development, agri-food and agri-product development and protection of human, animal and plant health which reflect the principles and guidelines of sustainable development.

The three goals of the department are:

- Increase competitiveness, sustainability and adaptability of agricultural industries.
- Grow the agri-food and agri-product processing industries in Manitoba.
- Increase the capacity of agriculture, agri-food and agri-product related organizations to drive economic development.

The following activities demonstrate the work the department has undertaken in 2017/18 to support the principles and guidelines of sustainable development. For more details on the departments' activities and results, please refer to Section two, Part A of this annual report. This section is not a complete listing of all the activities that relate to

sustainable development, but intends to give an indication of the scale of the department's activities.

Primary Agriculture Industry Development

The department facilitated the sustainable use and protection of agri-resources. The principles and guidelines of Sustainable Development where applied where possible. Below are some examples of activities that facilitated mitigation of adverse effects related to climate change:

- Supported activities at Diversification Centres to test new varieties and agronomic practices that could the reduce carbon footprint of production (intercropping).
- Created an EFP chapter on field peas to increase sustainability in production; supported multiple crop variety trials at Diversification Centres.
- Conducted variety evaluation throughout Manitoba for grain corn, soybean and sunflower to promote crops suited for improved growth if increased temperature, moisture stress occurred due to climate change.
- Conducted applied research and demonstration projects at (MBFI to evaluate and promote sustainable production practices for beef and forage. Projects included studying shelter belts, wet land assessments, plants encroaching on native grasslands, and polycropping to increase crop diversity
- Evaluated soil capabilities, environmental growing season patterns and current crop production to investigate suitability of increased acreages of soybean, grain corn, potato and field peas.
- Trained 450 private and public agrologists at Crop Diagnostic School on efficient usage of fertilizer to promote growth, yield and protein and increase plant use efficiency.
- Allocated Shoal Lakes parcels deemed suitable for agricultural use to producers under the ACL leasing program.
- Introduced the new ACL Leases and Permits Regulation (152/2017) which came into force January 1, 2018. This regulation repealed previous regulations, enabling out-of-province applicants for ACL dispositions, and enabled modernization through subsequent policy development.
- Provided technical support for GHG mitigation and climate change adaptation in agriculture including development of resources related to climate change mitigation and climate change adaptation.
- Analyzed carbon pricing impacts on specific agricultural sub-sectors (beef, dairy, pork, grains/oilseeds, poultry processing).
- Provided technical support for four research projects on manure nutrients and odour under the Manitoba Livestock Manure Management Initiative.
- Facilitated EFP workshops attended by 119 producers and issued 76 Statements of Completion.
- Developed targeted financial assistance for agriculture producers, licensed commercial manure applicators, conservation districts and members of the

Association of Manitoba Community Pastures to advance the adoption of BMPs that reduce identified environment risks, improve agro-ecosystem resilience, build public trust and improve environmental sustainability in Manitoba.

- Collected and analyzed soil samples from 104 locations within agro-Manitoba. Utilized the data to assess available crop water content for the 2018 growing season and for flood forecasting.
- Added 31 new weather stations to bring the total number of weather stations in the network to 109.

Agri-Food and Agri-Product Development

The department worked closely with stakeholders to ensure accelerated and sustainable growth in the agriculture and agri-processing sector. Examples of department input are included below;

- Facilitated the establishment of J.R. Simplot \$460 million potato processing plant expansion (87 new processing jobs); HyLife Foods \$150 million expansion of its processing plant (98 jobs in Neepawa) and feed mill (20 jobs in Killarney).
- Provided funding totalling \$300,000 to eight coal users to assist them in transitioning away from coal to renewable biomass fuel. An additional \$92,000 was provided to three biomass processors to support their production of biomass in Manitoba.
- Provided \$500,000 to seven research and development projects through the Manitoba Biomass Energy Support Program to support projects that investigated alternative uses for biomass, biomass market development and utilization of waste biomass for energy production.

Protection of Human, Animal and Plant Health

The department plays a lead role in providing leadership, technical expertise and an appropriate regulatory and enforcement framework to protect human, animal and plant health as a member of the global community. Examples of activities below demonstrate some of the activities the department undertook to anticipate and mitigate significant adverse effects.

- Initiated a tender process to source an independent third party to develop and administer a certification program for companion animal breeding premises, boarding kennels, animal rescues & shelters, companion animal retail stores, and municipal pounds.
- Conducted inspections when abattoirs were in operation to ensure humane handling and stunning practices. In addition, conducted audits on an annual basis to validate inspection findings.
- Updated three veterinary diagnostic tests to a different testing technology; *Mycoplasma gallisepticum*, *Mycoplasma synoviae*, *Mycoplasma meleagridis*.
- Formed a Canada West management team to develop and implement a plan to improve efficiencies, services and collaboration. The team has shared internal

documents with each other such as standard operating procedures and has initiated lab collaboration through pathology rounds.

- Conducted weekly PEDv surveillance at high traffic premises (abattoirs, assembly yards and transport wash stations). These assisted the swine sector in ensuring PEDv risks were mitigated at these sites.
- Identified two cases of infectious laryngotrachitis, through the small flock avian influenza program. Laryngotrachitis is a reportable disease that is a threat to both commercial and small farm flocks.
- Enhanced cross-departmental relationships and communication on shared responsibility issues, resulting in improved joint response to incidents ex: zoonotic disease programs such as Rabies, Anthrax, Anaplasmosis and other tick borne diseases, Chronic Wasting Disease, Salmonella, bovine tuberculosis, Echinococcus, West Nile Virus, and anti-microbial resistance.
- Worked with provincial and federal counterparts on joint surveillance efforts, as well as strengthened partnerships with public health and sustainable development within the province of Manitoba on cross departmental initiatives.
- Collaborated efforts are underway with the University of Manitoba to evaluate the ongoing risk of Anaplasma in beef cattle in regions of MB.
- Developed a collaborative research project with public health to evaluate the risk of Echinococcus multilocularis in Manitoba, as well as the risk this disease poses to humans.
- Worked to develop a framework for prevention and management of Chronic Wasting Disease (CWD) in Manitoba.
- Enhanced surveillance at provincial abattoirs to detect antimicrobial residue risks.
- The Manitoba Rabies working group under a One Health Framework collected and submitted 128 samples for rabies diagnostics after One Health collaborative risk assessments in what continues to be the most efficient provincial rabies programs.
- Expanded and optimized tools to provide improved communications related to emerging and zoonotic diseases of importance to Canadians and Manitobans through Community for Emerging and Zoonotic Diseases (CEZD) network
- Supported the Animal Care Act with diagnostic testing, specialized forensic pathology services and expert testimony for 117 cases. Shared animal health diagnostic results to expand the national diagnostic capabilities for early detection of animal disease threats to the food supply, food safety or the public. validate inspection finding
- Developed three technical policy documents to guide inspector's assessment of risk associated with unique food products.
- Conducted 33 food safety training sessions from basic food safety training to specialized training for approximately 630 industry participants to increase awareness and facilitate effective adoption of preventative food safety programs.

**SECTION TWO
ADDITIONAL FINANCIAL
INFORMATION
AND APPENDICES**

Appendix A: Financial Information – Expenditure Summary

Manitoba Agriculture Expenditure Summary

for the fiscal year ended March 31, 2018 with comparative figures for the previous fiscal year (\$000s)

Estimate 2017/18	Appropriation	Actual 2017/18	Actual 2016/17	Increase/ (Decrease)	Expl. No.
PART A - OPERATING					
03-1 ADMINISTRATION AND FINANCE					
42	(a) Minister's Salary	41	51	(10)	
	(b) Executive Support				
742	(1) Salaries and Employee Benefits	745	726	19	
80	(2) Other Expenditures	51	43	8	
	(c) Strategy Management				
777	(1) Salaries and Employee Benefits	630	518	112	
240	(2) Other Expenditures	126	152	(26)	
	(d) Financial and Administrative Services				
1,266	(1) Salaries and Employee Benefits	992	931	61	
335	(2) Other Expenditures	213	172	41	
3,482	Subtotal 03-1	2,798	2,593	205	

Appendix A: Financial Information

Manitoba Agriculture

Expenditure Summary

for the fiscal year ended March 31, 2018 with comparative figures for the previous fiscal year (\$000s)

Estimate 2017/18	Appropriation	Actual 2017/18	Actual 2016/17	Increase/ (Decrease)	Expl. No.
03-2 POLICY AND TRANSFORMATION					
(a) Policy					
2,575	(1) Salaries and Employee Benefits	2,583	2,259	324	
634	(2) Other Expenditures	432	421	11	
350	(3) Grant Assistance	1,880	336	1,544	1
(b) Transformation					
2,101	(1) Salaries and Employee Benefits	1,487	1,586	(99)	
559	(2) Other Expenditures	340	306	34	
1,115	(3) Grant Assistance	1,115	1,115	-	
2,020	(c) Food Development Centre	2,761	2,020	741	2
3,000	(d) Grain Innovation Hub	1,485	2,613	(1,128)	3
12,354	Subtotal 03-2	12,083	10,656	1,427	
03-3 RISK MANAGEMENT, CREDIT AND INCOME SUPPORT PROGRAMS					
(a) Manitoba Agricultural Services Corporation					
7,532	(1) Administration and Lending Costs	(2,242)	78	(2,320)	4
54,520	(2) AgrilInsurance	56,910	51,739	5,171	5
2,108	(3) Wildlife Damage Compensation	3,201	3,706	(505)	
34,015	(b) Agricultural Income Stabilization	36,368	32,986	3,382	6
41,039	(c) Farmland School Tax Rebate	41,015	40,367	648	
139,214	Subtotal 03-3	135,252	128,876	6,376	

Appendix A: Financial Information

Manitoba Agriculture

Expenditure Summary

for the fiscal year ended March 31, 2018 with comparative figures for the previous fiscal year (\$000s)

Estimate 2017/18	Appropriation	Actual 2017/18	Actual 2016/17	Increase/ (Decrease)	Expl. No.
03-4 STEWARDSHIP AND ASSURANCE					
(a) Food Safety and Inspection					
2,999	(1) Salaries and Employee Benefits	2,848	2,748	100	
757	(2) Other Expenditures	512	415	97	
(b) Animal Health and Welfare					
4,896	(1) Salaries and Employee Benefits	4,881	4,945	(64)	
2,796	(2) Other Expenditures	3,456	2,648	808	7
11	(3) Grant Assistance	11	11	-	
(c) Agri-Resource					
3,820	(1) Salaries and Employee Benefits	3,455	3,207	248	
1,824	(2) Other Expenditures	1,658	1,484	174	
-	(3) Manure Management Financial Assistance	-	500	(500)	8
17,103	Subtotal 03-4	16,821	15,958	863	

Appendix A: Financial Information

Manitoba Agriculture

Expenditure Summary

for the fiscal year ended March 31, 2018 with comparative figures for the previous fiscal year (\$000s)

Estimate 2017/18	Appropriation	Actual 2017/18	Actual 2016/17	Increase/ (Decrease)	Expl. No.
03-5 PRODUCTION AND ECONOMIC DEVELOPMENT					
(a) Industry Advancement					
5,058	(1) Salaries and Employee Benefits	4,362	4,489	(127)	
1,437	(2) Other Expenditures	868	901	(33)	
616	(3) Grant Assistance	598	598	-	
(b) Primary Agriculture					
5,771	(1) Salaries and Employee Benefits	5,345	5,589	(244)	
1,022	(2) Other Expenditures	1,002	1,012	(10)	
965	(3) Grant Assistance	913	895	18	
(c) Food and Agri-Product Processing					
2,322	(1) Salaries and Employee Benefits	2,114	1,842	272	
498	(2) Other Expenditures	367	346	21	
350	(3) Grant Assistance	84	87	(3)	
1,000	(d) Manitoba Biomass Energy Support Program	864	904	(40)	
19,039	Subtotal 03-5	16,517	16,663	(146)	
03-6 COSTS RELATED TO CAPITAL ASSETS					
245	(a) Amortization Expense	225	254	(29)	
69	(b) Interest Expense	65	65	-	
314	Subtotal 03-6	290	319	(29)	
191,506	TOTAL (PART A)	183,761	175,065	8,696	

Appendix A: Financial Information

Manitoba Agriculture

Expenditure Summary

for the fiscal year ended March 31, 2018 with comparative figures for the previous fiscal year (\$000s)

Estimate 2017/18	Appropriation	Actual 2017/18	Actual 2016/17	Increase/ (Decrease)	Expl. No.
PART B - CAPITAL INVESTMENT					
3. CAPITAL ASSETS					
552	(a) General Assets	323	171	152	9
552	TOTAL (PART B)	323	171	152	

Appendix A: Financial Information

Manitoba Agriculture

Expenditure Summary

for the fiscal year ended March 31, 2018 with comparative figures for the previous fiscal year (\$000s)

Explanations:

1. The variance primarily relates to special one-time grants provided in 2017/18 to the Manitoba Jockey Club and Manitoba Great Western Harness Racing Circuit.
2. The increase in the Food Development Centre is mainly due to the one-time grant for the repayment of a building loan in 2017/18.
3. The variance in Grain Innovation Hub is mainly due to project deferrals in 2017/18 as the Province had achieved its 40% matching requirement under the five-year Growing Forward 2 agreement with the federal government which expired on March 31, 2018.
4. The variance in Manitoba Agricultural Services Corporation (MASC) Administration and Lending Costs is mainly due to a net reduction in provisions required for loans and loan guarantees due to the size of portfolios and an increase in net interest revenue. This is partially offset by higher costs related to a Digital Transformation Initiative.
5. The variance in MASC AgriInsurance program is primarily due to producers growing more high value crops (i.e. soybeans), higher probable yields, and higher insured crop prices partially offset by a general reduction in premium rates.
6. The variance is mainly due to a one-time accounting adjustment in 2017/18 related to the 2011 Shoal Lake Buy Out program as the department adjusted the value of owned land to reflect the 2016 assessed value. This adjustment is partially offset by differences in prior year adjustments to the AgriStability and AgriInvest programs as a result of updated forecasts from the federal government based on a combination of relatively high farm incomes and program changes.
7. The variance in Animal Health and Welfare other expenditures is primarily due to the establishment of a contingent liability in 2017/18 for a legal matter before the courts and higher costs resulting from the 2017/18 provincial response to outbreaks of the Porcine Epidemic Diarrhea (PED) virus on farms in southeast Manitoba.
8. The Manure Management Financial Assistance program was discontinued at the end of 2016/17.
9. The variance is primarily due to the replacement of a hoist and track system in the post-mortem section of the Veterinary Diagnostic Services lab in 2017/18.

Appendix B: Financial Information – Reconciliation Statements

Manitoba Agriculture

Part A - Operating

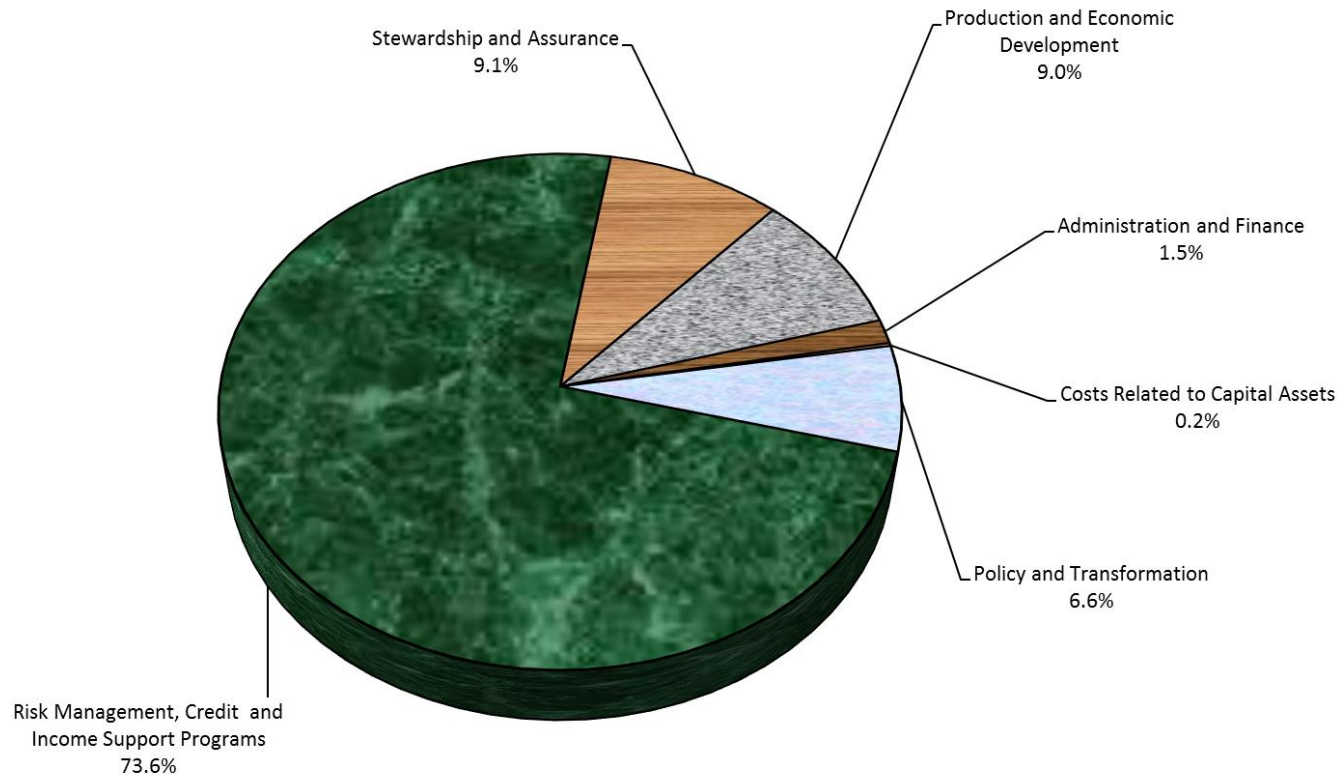
DETAILS	2017/18 ESTIMATES \$(000's)
2017/18 MAIN ESTIMATES - PART A	191,506
Allocation of funds from: - Enabling Appropriations <ul style="list-style-type: none">• Internal Service Adjustments	-
2017/18 ESTIMATES	191,506

Part B - Capital Investment

DETAILS	2017/18 ESTIMATES \$(000's)
2017/18 MAIN ESTIMATES - PART B	552
Allocation of funds from: - Enabling Appropriations	-
2017/18 ESTIMATES	552

Appendix C: Distribution By Main Appropriation: 2017/18 Actual Expenditures

Manitoba Agriculture

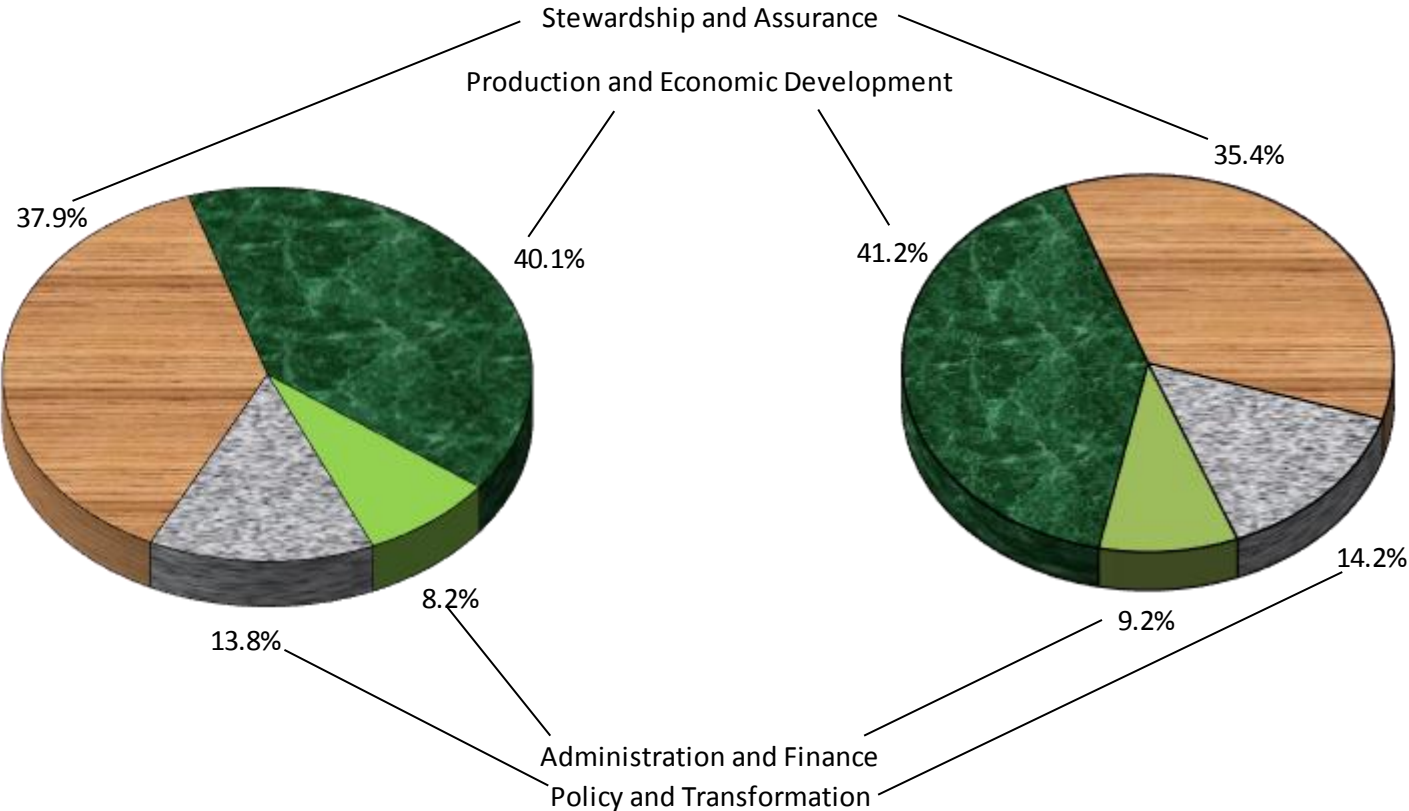


Appendix D: Percentage Distribution of Salaries & Employee Benefits and Full Time Equivalents – 2017/18

Manitoba Agriculture

Salaries & Benefits

Full Time Equivalents



Appendix E: Revenue Summary

Manitoba Agriculture

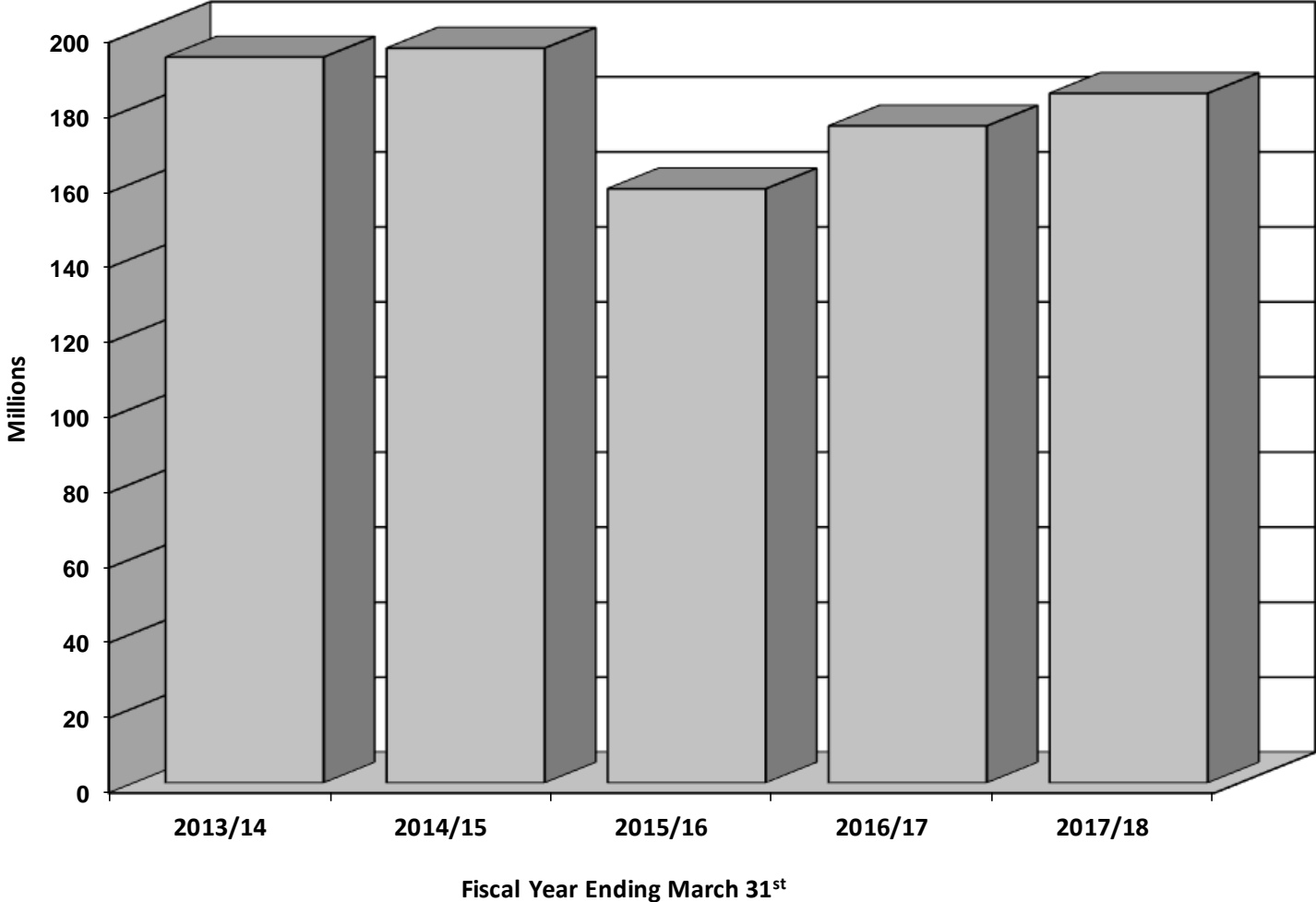
for the fiscal year ended March 31, 2018 with comparative figures for the previous fiscal year (\$000s)

Actual 2017/18	Actual 2016/17	Increase/ (Decrease)	Expl. No.		Actual 2017/18	Estimate 2017/18	Increase/ (Decrease)	Expl. No.
CURRENT OPERATING PROGRAMS:								
Government of Canada:								
545	-	545	1	Growing Forward 2 - Capacity and Knowledge Development	545	-	545	1
(1)	-	(1)		AgriRecovery - 2011 Excess Moisture Program	(1)	-	(1)	
(11)	-	(11)		AgriRecovery - 2014 Flood Programs	(11)	-	(11)	
50	-	50		Environment and Climate Change Canada Program	50	-	50	
26	41	(15)		Other Programs	26	50	(24)	
609	41	568		Sub-Total	609	50	559	
Other Revenue:								
3,490	3,537	(47)		(a) Fees	3,490	3,868	(378)	
37	70	(33)		(b) Sundry	37	23	14	
3,527	3,607	(80)		Sub-Total	3,527	3,891	(364)	
4,136	3,648	488		Total Department Revenue	4,136	3,941	195	

Explanations:

1. The increase is mainly due to one-time federal support of provincial grants in 2017/18 under the federal Growing Forward 2 - Capacity and Knowledge Development Initiative.

**Appendix F:
Manitoba Agriculture
Five Year Expenditure History for Years Ending March 31, 2013 to March 31, 2017**



Appendix G:
Manitoba Agriculture
Five Year Expenditure and Staffing Summary by Main Appropriation
for the fiscal years ending March 31, 2014 to March 31, 2018

Actual / *Adjusted Expenditures											
Main Appropriation	2013/14		2014/15		2015/16		2016/17		2017/18		
	FTEs	\$(000's)	FTEs	\$(000's)	FTEs	\$(000's)	FTEs	\$(000's)	FTEs	\$(000's)	
3-1 Administration and Finance	35.00	2,574	35.00	2,660	35.00	2,613	35.00	2,593	36.00	2,798	
3-2 Policy and Transformation	58.00	10,023	58.00	10,563	58.00	8,497	58.00	10,656	56.00	12,083	
3-3 Risk Management, Credit and Income Support Programs	-	148,187	-	150,536	-	114,010	-	128,876	-	135,252	
3-4 Stewardship and Assurance	142.00	16,833	142.00	14,364	142.00	16,377	141.00	15,958	139.00	16,821	
3-5 Production and Economic Development	166.00	15,453	167.00	17,342	167.00	16,503	167.00	16,663	162.00	16,517	
3-6 Costs Related to Capital Assets	-	338	-	335	-	336	-	319	-	290	
Total Departmental Appropriations	401.00	193,408	402.00	195,800	402.00	158,336	401.00	175,065	393.00	183,761	

* Figures have been adjusted to reflect historical data on a comparable basis during the years under review.

Appendix H: The Farm Machinery and Equipment Act Fund

Section 55(8) of *The Farm Machinery and Equipment Act* directs that a financial statement of the Farm Machinery and Equipment Fund should be prepared and included in the annual report of the department. Section 11 of the regulations to the Act states the fiscal year of the fund is January 1, to December 31 of each year.

For more information on the Act please visit <http://web2.gov.mb.ca/laws/statutes/ccsm/f040e.php>

The Farm Machinery and Equipment Act Fund
Statement of Account
(Unaudited)
For the Year Ended December 31, 2017

	2017	2016
Balance, beginning of year	\$550,336.15	\$547,328.94
Interest earned	\$3,333.60	\$3,007.21
Deposits	-	-
Claims and disbursements	-	-
Change during the year	<u>\$3,333.60</u>	<u>\$3,007.21</u>
Balance, end of year	<u><u>\$553,669.75</u></u>	<u><u>\$550,336.15</u></u>

Performance Indicators 2017/18

AGRICULTURE

The following section provides information on key performance measures for the department for the 2017/18 reporting year. All Government of Manitoba departments include performance measures in their Annual Reports to complement the financial results and provide Manitobans with meaningful and useful information about government activities and their impact on the province and its citizens.

The department reports annually on seven performance indicators. These measures provide the public and the department with both a current snapshot and a trend of that performance measure over a set period of time. The information is important to the department as the indicators provide a high level view and further insight for the department as it undertakes programming and services.

What is being measured and using what indicator? (A)	Why is it important to measure this? (B)	Where are we starting from (baseline measurement)? (C)	What is the 2017/18 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
Productivity change in selected crops, cattle and calves and hogs.	Increased productivity over time contributes to competitiveness and profitability of Manitoba agricultural producers as well as increasing food security for Manitobans.	2008-2012 Average Five year average wheat yield (bushels/acre) in MB: 45.4. Five year average canola yield (bushels/acre) in MB: 32.9. Five year average grain corn yield (bushels/acre) in MB: 104.3. Five year average soybean yield	2013 – 2017 Average Five year average wheat yield (bushels/acre) in MB: 53.6 Five year average canola yield (bushels/acre) in MB: 39.5 Five year average grain corn yield (bushels/acre) in MB: 124.1 Five year average soybean yield	Long term (30 year) trends have been toward increased yields for all four grain crops and for livestock. The trend wheat yield for 2017 is 50.6 bushels/acre. The average yield for 2017 is 59.8. The trend canola yield for 2017 is 38.4 bushels/acre. The average yield for 2017 is 44.0. The trend grain corn yield for 2017 is 124.0 bushels/acre.	Manitoba has seen record grain crop productivity recently. 2017 saw record yields for many crops with the exception of soybeans which was on the five year average. The 2017 harvest was the overall largest ever thanks to very moderate temperatures that allowed most crops to flourish despite well below average precipitation. Farm Cash Receipts (FCR) were record

What is being measured and using what indicator? (A)	Why is it important to measure this? (B)	Where are we starting from (baseline measurement)? (C)	What is the 2017/18 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
		<p>(bushels/acre) in MB: 30.9.</p> <p>Five-year average cattle and calves total card cash receipts \$459,931 (\$'000)</p> <p>Five year average hogs total farm cash receipts (FCR) \$815,791 (\$'000)</p>	<p>(bushels/acre) in MB: 36.5.</p> <p>Five-year average cattle and calves total card cash receipts \$599,868 (\$'000)</p> <p>Five year average hogs total farm cash receipts (FCR) \$1,043,987 (\$'000)</p>	<p>The average yield for 2017 is 128.2.</p> <p>The trend (19 yrs.) soybean yield for 2017 is 35.8 bushels/acre. The average yield for 2017 is 36.1.</p> <p>The 30 year trend for FCR cattle and calves is \$588,515 (\$'000) for 2017. FCR for 2017 is 543,006.</p> <p>The 30 year trend for FCR hogs is \$1,126,115 (\$'000) for 2015. FCR for 2017 \$1,067,457 (\$'000)</p>	<p>high for cattle and calves in Manitoba in 2015, followed by the second highest amount in 2014.</p> <p>Hog FCR's were record high in 2014 followed by the second highest amount in 2017.</p>
<p>Producer action to identify and mitigate environmental risks in their farm operation.</p>	<p>Recognizing environmental risks and setting out a plan of action to mitigate risks is an important indicator of the capacity to produce in a sustainable manner.</p>	<p>2005/06 – 3,400 people attended workshops</p> <p>2005/06 – 1,317 environmental farm plans completed</p>	<p>2017/18 - 119 producers attended 19 workshops</p> <p>In 2017/18, 76 environmental plans were completed with 124, 835 acres assessed, which included 28,602 new</p>	<p>Producers continue to return to the program to renew their EFPs as needed. Interest from new producers continues.</p>	<p>As of March 31, 2018, more than 6,000 Environmental Farm Plans (EFPs) have been completed, assessing more than 9.7 million acres of MB farmland.</p>

What is being measured and using what indicator? (A)	Why is it important to measure this? (B)	Where are we starting from (baseline measurement)? (C)	What is the 2017/18 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
			acres and 96,233 existing acres.		<p>EFPs require updating every 5 years.</p> <p>Uptake is closely related to available cost-share programming. A shift towards inclusion of sustainable sourcing concepts and national alignment (as per the National EFP initiative) has added value and marketing opportunities to the EFP program, and may result in increased producer interest.</p>
The size and impact of the food and beverage manufacturing sector in Manitoba.	Total value of agri-food processing is an indicator of the additional value extracted from Manitoba-produced commodities. Additional processing in Manitoba (versus shipping raw commodities) creates jobs and additional wealth.	<p>2008: \$3.72 billion</p> <p>Five years (2008-2012) average sales value \$4.24 billion.</p>	<p>2017: \$4.66 billion</p> <p>Five years (2013-2017) average sales value \$4.66 billion</p>	The rate of growth in the Manitoba food processing sector has declined slightly in 2014 and 2015 from the sales level in 2013 (\$4.6 billion). However, the sales values bounced back in 2016 and 2017, registering the record level sales value of \$4.7 billion in 2017. In 2018, the food	Food manufacturing is a highly productive (\$127,775 GDP/employee) and export intensive (62% of total food and beverage manufacturing sales) sector in Manitoba. The newly opened \$100 million Manitoba Dairy Ingredients (MDI) processing plant in

What is being measured and using what indicator? (A)	Why is it important to measure this? (B)	Where are we starting from (baseline measurement)? (C)	What is the 2017/18 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
				<p>manufacturing sales values are expected to grow by about 2%. The rate of growth in the Manitoba food processing sector export has been higher than the Canadian average over the previous ten-year period. (8.4 percent in MB vs 6.7 percent in Canada). A depreciated Canadian dollar is expected to increase exports from Manitoba.</p>	<p>Winnipeg, the \$460 million expansion project at Simplot potato processing plant near Portage la Prairie, the \$150 million expansion investment at the HyLife pork-processing plant in Neepawa, and the opening of the new federally inspected Country Meat and Sausage in Blumenort will continue to improve the food manufacturing sector's output. The addition of a new pea processing plant in Portage la Prairie, and new feed processing mills will also significantly contribute to the sector's output growth in the future. Meat processing is expected to keep its lead over the near term. Given the very high uncertainties with the</p>

What is being measured and using what indicator? (A)	Why is it important to measure this? (B)	Where are we starting from (baseline measurement)? (C)	What is the 2017/18 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
					outcome of NAFTA negotiations, diversifying exports to other countries to reduce the reliance on the U.S. is key to continued growth in the food and agri-product processing sector. Global demand and popularity of healthy, local, organic and functional foods is an ongoing opportunity for Manitoba food processors. Manitoba has a great potential to become a leader in North America in the growth of a protein-focused industry. However, lower-cost foreign suppliers are a threat to Manitoba and Canadian processors in the world food market.
The size and impact of the bio-products sector in Manitoba. Value of annual sales of agri-product processing.	Total value of agri-product processing is an indicator of the additional value extracted from Manitoba-produced	2010: \$1,000 million	According to the survey conducted with 18 bio-product processing companies based in Manitoba in 2016,	The sector value measurement counts sales of industrial bioproducts made of bio-based feedstock from agriculture,	The 2010 baseline includes contributions from non-ag bioproducts processors (e.g., forestry products).

What is being measured and using what indicator? (A)	Why is it important to measure this? (B)	Where are we starting from (baseline measurement)? (C)	What is the 2017/18 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
	commodities. Additional processing in Manitoba (versus shipping raw commodities) creates jobs and additional wealth.		the median and average revenue per company was \$7,000,000 and \$23,127,778. The companies participated (and provided revenue data) in the survey have reported a total revenue of \$208,150,000. Most of the companies surveyed use ag-based bioproducts.	<p>forestry and others (e.g. recycled wastes), as defined in the provincial strategy.</p> <p>The agricultural part of the sector is stable with some growth in the biomass energy cluster as a result of favoring policies and programs, but the forestry part has seen closures of a couple of saw mills.</p> <p>It is anticipated that ag-based bioproducts will continue to grow in coming years, with one fibre processing operation coming online soon and several others in the development.</p>	The 2016 survey is limited to ag-based bioproducts companies.
Success in turning government support into commercial products and improvements.	Investments in research by government are aimed at seeing new or improved products developed that contribute to farm profitability, new products, competitiveness and	In 2013/14 provided the Food Development Centre (FDC) with funding of more than \$2 million for agri-food innovation, development and commercialization:	Continued support for FDC with funding of more than \$2 million for agri-food innovation, development and commercialization:	No trend yet established. <i>Note: A lag time will exist between investment payouts and results.</i>	

What is being measured and using what indicator? (A)	Why is it important to measure this? (B)	Where are we starting from (baseline measurement)? (C)	What is the 2017/18 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
	additional economic activity.	<ul style="list-style-type: none"> ▪ 5 new products produced in the pilot plant. ▪ 19 new food products and ingredients created for retail or foodservice test marketing. ▪ 131 nutrition labels for food products created. ▪ Nine HACCP plans developed, five revised and 14 consultations. <p>Total approved GF2 investments in innovation were \$7.65 million* in 2013/14 with total GF2 approved funding for all programs being more than \$12.7 million.</p> <p><i>*Not including ARDI funding approval of \$3.2 million that occurred in 2014/15.</i> CSB program funded investments totaling more than</p>	<ul style="list-style-type: none"> • Eight new products produced in the pilot plant. • 28 new food product and ingredient prototypes were created for retail or foodservice test marketing. • 271 nutrition labels for food products created. • 10 HACCP plans developed. <p>Total approved GF2 investments in innovation were \$2.74 million in 2017/18 with total GF2 approved funding for all programs being \$7.089 million.</p> <p>CSB program funded investments totaling \$1,186,750 for rural and agribusinesses in 2015/16.</p>		

What is being measured and using what indicator? (A)	Why is it important to measure this? (B)	Where are we starting from (baseline measurement)? (C)	What is the 2017/18 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
		\$216,000 for rural and agribusinesses.			
The number of jobs by sector	The number of jobs is an indicator of a sector's ability to drive economic development	Primary Agriculture 2008: 28,300 jobs Food and Beverage Processing 2008: 12,400 jobs	Primary Agriculture 2017: 24,000 jobs Food and Beverage Processing 2017: 12,800 jobs	The number of jobs in primary production have decreased over the years, mainly due to big farm corporations taking over small family farms and advancement of agricultural technologies, all of which require fewer people to run farm operations. The food and beverage processing sector has created approximately 900 more jobs than five years ago, as the sector grows slowly but steadily.	

The Public Interest Disclosure (Whistleblower Protection) Act

The Public Interest Disclosure (Whistleblower Protection) Act came into effect in April 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters (wrongdoing) in the Manitoba public service, and strengthens protection from reprisal. The act builds on protections already in place under other statutes, as well as collective bargaining rights, policies, practices and processes in the Manitoba public service.

Wrongdoing under the act may be: contravention of federal or provincial legislation; an act or omission that endangers public safety, public health or the environment; gross mismanagement; or knowingly directing or counseling a person to commit a wrongdoing. The act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith, in accordance with the act, and with a reasonable belief that wrongdoing has been, or is about to be, committed is considered to be a disclosure under the act, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful and thorough review to determine if action is required under the act, and must be reported in a department's annual report in accordance with Section 18 of the act.

The following is a summary of disclosures received by Manitoba Agriculture and Food Development Centre for fiscal year 2017/18.

Information Required Annually (per section 18 of The Act)	Fiscal Year 2017/ 2018
The number of investigations commenced as a result of a disclosure. Subsection 18 (2)(b)	NIL
In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations or corrective actions taken in relation to the wrongdoing, or the reasons why no corrective action was taken. Subsection 18 (2)(c)	NIL
The number of disclosures received, and the number acted on and not acted on. Subsection 18(2)(a)	NIL

Regulatory Accountability and Red Tape Reduction

Manitoba Agriculture is committed to implementing the principles of regulatory accountability as set out in **The Regulatory Accountability Act**. The department works to achieve balance with regulatory requirements, identify the best options for them, assess their impact and incorporate them in department activities, programs and in the development of all regulatory instruments.

A regulatory requirement is a requirement in a regulatory instrument for a person to take an action in order to

- access a program or service offered by the government or a government agency;
- carry on business; or
- participate in a regulated activity.

Regulatory accountability provides a framework to create a transparent, efficient and effective regulatory system. Red tape reduction aims to remove the regulatory requirements that are unclear, overly prescriptive, poorly designed, redundant, contradictory or antiquated. Not all regulatory requirements create red tape.

As an initial part of enhancing regulatory accountability and in compliance with section eight of The Regulatory Accountability Act, Manitoba Agriculture has taken action to better identify each regulatory instrument and regulatory requirement that the department imposes on its stakeholders. This review has led to the identification of a further 4,025 regulatory requirements that existed as of April 1, 2016.

Manitoba Agriculture's red tape reduction progress in Fiscal 2016/17 and Fiscal 2017/18 led to a combined reduction of nearly 2% of Department regulatory requirements.

Regulatory Requirements

	Baseline (April 1, 2016)	2016/17 (March 31, 2017)	2017/18 (March 31, 2018)
Total number of regulatory requirements	29,679	29,373	29,099

	2016/17 from baseline	2017/18 from baseline
Net change in total number of regulatory requirements	-306	-580
% change	-1.0%	-2.0%

Note: The information, in the tables above, includes both the Special Operating Agency (Food Development Centre) and Crown Corporation (Manitoba Agricultural Services Corporation) that report to the Minister.

Achievements

Since April 2016, the department's achievements in reducing regulatory requirements and eliminating red tape included:

- Updating The Noxious Weeds Act and corresponding regulation led to more effective and efficient weed control measures by empowering individual Municipalities to make financial decisions related to weed control independent of Provincial Government oversight.
- Amendments to The Veterinary Services Act eliminated an onerous municipal audit requirement for veterinary service districts that operate on small budgets.
- Working in collaboration with the Office of the Fire Commission, Manitoba Agriculture staff participated in amendments to the Manitoba Building Code. These changes addressed and modified building code requirements to reflect the unique business and operational needs of farm buildings and led to substantive savings for pig producers estimated at about \$20-30 per pig place or \$80,000 for a 4000-head feeder hog barn.
- The Department consolidated two regulations into a unified ACL Leases and Permits Regulation and is in the process of reforming and streamlining the allocation and rental fee determinations of ACL. Changes are expected to be released in the upcoming year.
- The province updated and reduced the regulatory burden associated with livestock dealer licensing forms by streamlining existing requirements and removing the requirement for signature by a Commissioner of Oaths. It was recognized that in rural Manitoba, finding a Commissioner of Oaths is problematic so this requirement was changed to a witness signature only.
- The province streamlined the regulations for fluid milk container sizes under The Dairy Act and removed the duplication under The Milk Prices Review Act.