

Manitoba Agriculture

Agriculture Manitoba

Annual Report
2016-2017

Rapport Annuel
2016-2017



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MINISTER OF AGRICULTURE

Room 165
Legislative Building
Winnipeg, Manitoba CANADA
R3C 0V8

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 for Manitoba Agriculture for the fiscal year ending March 31, 2017.

Respectfully submitted,

Original Signed by Ralph Eichler

Honourable Ralph Eichler
Minister of Agriculture





MINISTER OF AGRICULTURE

Room 165
Legislative Building
Winnipeg, Manitoba CANADA
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 2017.

Je vous prie d'agréer, Madame la Lieutenant-Gouverneure, l'assurance de ma considération respectueuse.

Le ministre de l'Agriculture,

Original Signé par Ralph Eichler

Ralph Eichler





Agriculture

Deputy Minister's Office
Room 159, Legislative Building
Winnipeg MB R3C 0V8
T 204 945-3734

Honourable Ralph Eichler
Minister of Agriculture
Province of Manitoba

Sir,

I am pleased to present the annual report for the department of Agriculture for the fiscal year ending March 31, 2017.

The department continues to advance its capacity to support our industry's leadership in accelerating growth in the agriculture, agri-food and agri-product sector. This evolution is underpinned by clearly aligning the department's strategic direction with government priorities.

The department has focused on building a strong and viable platform for growth. We are developing a sustainable protein strategy to grow value from livestock, dairy and plant-derived sources. Development work began on strategies for the livestock, food processing, biomass and nutraceuticals and functional food industries. The Food Development Centre has partnered with industry on a number of projects focused on the advancement of protein extraction resulting in protein ingredients and new applications.

We recognize that building public trust in both government accountability and transparency and in our food production and processing, is a critical reality in today's environment. We remain committed to ensuring safe food for Manitobans through our meat and food processing inspection program. Continued vigilance in testing, prevention and mitigation of plant and animal diseases, such as Porcine Epidemic Diarrhea virus (PEDv), is a key priority for industry sustainability.

The agriculture and agri-food sector is bringing jobs to Manitoba. In January, it was announced that a France-based company plans to build a \$400 million pea protein facility in the province. This investment is expected to create over 150 jobs with an estimated payroll of around \$9 million.

We continue to advance the ability of crop and livestock producers to adapt to a changing climate. An expanded network of weather stations combined with local intelligence will provide farmers with decision making tools to address climate change and water management issues.

As we enter a new fiscal year, enhancing client services is fundamental to our success. Red tape reduction and other continuous improvement initiatives remain a focus for enhancing the value that clients receive in their work with the department.

Respectfully submitted,

Original Signed by Dori Gingera-Beauchemin

Dori Gingera-Beauchemin
Deputy Minister



Bureau de la sous-ministre
Palais législatif, bureau 159
Winnipeg (Manitoba) R3C 0V8
T 204 945-3734

Monsieur Ralph Eichler
Ministre de l'Agriculture
Province du Manitoba

Monsieur le Ministre,

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

Le ministère continue de renforcer sa capacité à soutenir le rôle de chef de file de notre industrie pour accélérer la croissance du secteur de l'agriculture, de l'agroalimentaire et des produits agricoles. Cette évolution est étayée par l'harmonisation de l'orientation stratégique du ministère aux priorités du gouvernement.

Le ministère s'est concentré sur l'établissement d'une plateforme de croissance solide et viable. Nous élaborons une stratégie durable à l'égard des protéines, afin d'accroître la valeur tirée de l'élevage, de la production laitière et des matières premières végétales. Des travaux préparatoires ont commencé en vue d'établir des stratégies se rapportant aux industries de l'élevage, de la transformation alimentaire, de la biomasse, des produits nutraceutiques et des aliments fonctionnels. Le Centre de développement de produits alimentaires a noué des partenariats avec l'industrie pour un certain nombre de projets voués aux progrès de l'extraction de protéines, qui ont donné des ingrédients protéinés et de nouvelles applications.

Nous reconnaissons qu'il faut aujourd'hui gagner la confiance du public envers l'imputabilité et la transparence gouvernementales, la production et la transformation alimentaires. Nous restons déterminés à veiller à la salubrité des aliments destinés aux Manitobains dans le cadre de notre programme d'inspection de la transformation de la viande et des aliments. Une vigilance soutenue dans le dépistage, la prévention et l'atténuation des maladies végétales et animales, comme le virus de la diarrhée épidémique porcine, demeure une priorité essentielle pour assurer la viabilité de l'industrie.

L'agriculture et l'agroalimentaire créent des emplois au Manitoba. En janvier, une entreprise basée en France a annoncé son intention de construire un centre de production de protéines de pois dans la province, un investissement de 400 millions de dollars qui devrait créer plus de 150 emplois, dont la masse salariale est estimée à environ 9 millions de dollars.

Nous continuons d'aider les producteurs et les éleveurs à s'adapter au changement climatique. Un réseau élargi de stations météo, conjugué à l'information locale, aidera les agriculteurs dans leurs décisions en ce qui concerne le changement climatique et la gestion de l'eau.

À l'approche d'un nouvel exercice financier, l'amélioration du service à la clientèle est la clé de notre réussite. La réduction du fardeau administratif et d'autres améliorations continues visent à accroître la valeur de ce que les clients tirent de leur collaboration avec le ministère.

Veuillez agréer, Monsieur le Ministre, l'expression de ma considération distinguée.

La sous-ministre,

Original Signé par Dori Gingera-Beauchemin

Dori Gingera-Beauchemin



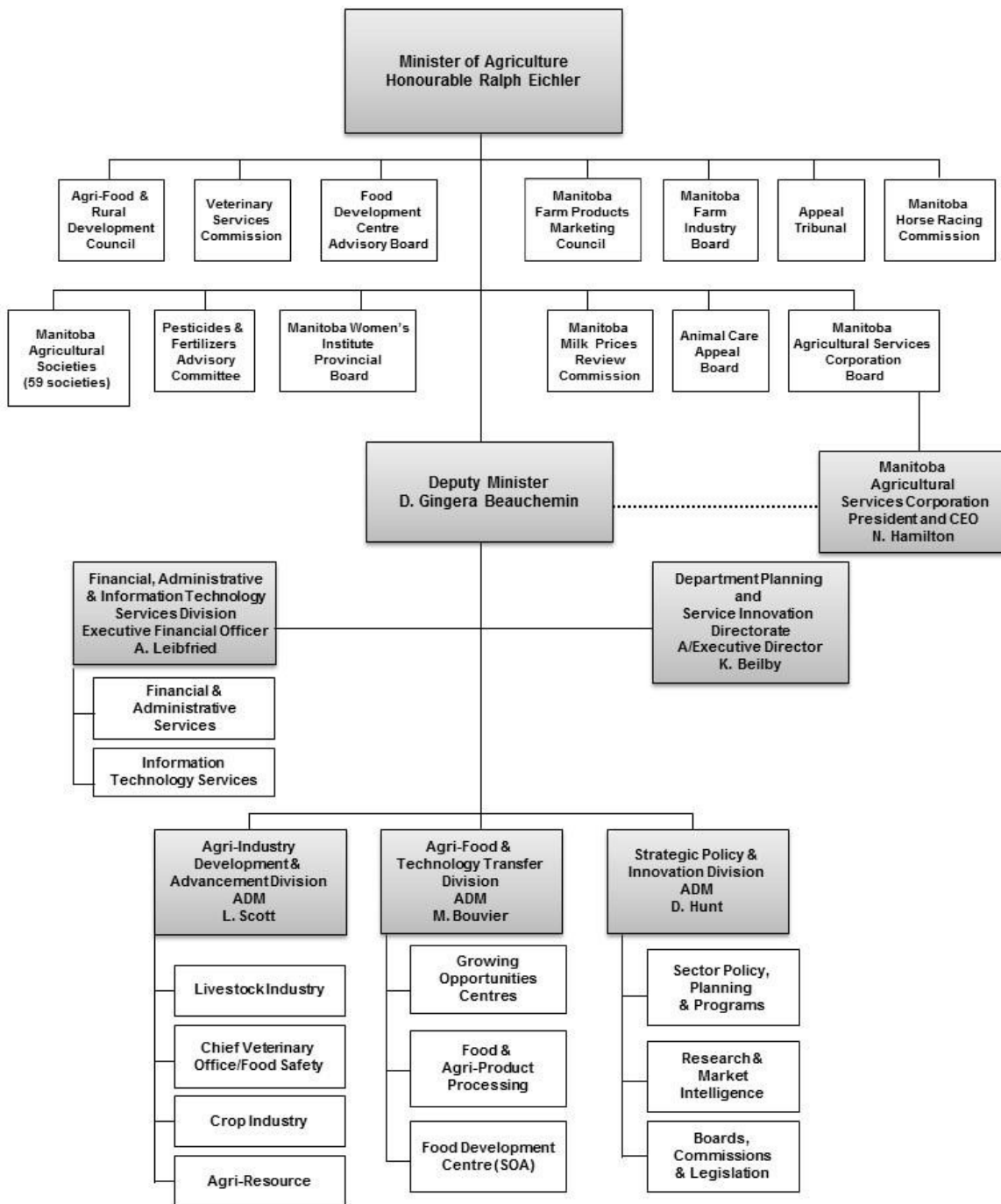
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Manitoba Agriculture

(This organization chart depicts the structure of the department as of March 31, 2017)



MANITOBA AGRICULTURE

Executive as of March 31, 2017

Honourable Ralph Eichler, Minister

D. Gingera-Beauchemin, Deputy Minister

N. Hamilton, President and Chief Executive Officer
Manitoba Agricultural Services Corporation

A. Leibfried, Executive Financial Officer
Financial, Administrative and Information Technology Services Division

K. Beilby, A/Executive Director
Department Planning and Service Innovation Directorate

L. Scott, Assistant Deputy Minister
Agri-Industry Development and Advancement Division

M. Bouvier, Assistant Deputy Minister
Agri-Food and Technology Transfer Division

D. Hunt, Assistant Deputy Minister
Strategic Policy and Innovation Division

Preface

Report Structure

The Annual Report includes information on the department's objectives, actual results achieved, financial performance and variances for the 2016/17 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 and Financial Information – and Part B – Capital Investments, which are organized in accordance with the departmental appropriation structure.
- **Section Two** contains all appendices such as summary financial tables, ministerial statutory responsibilities, performance indicators, information on *The Public Interest Disclosure (Whistleblower Protection) Act* and sustainable development activities.

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.

2016/17 Highlights

The agriculture, agri-food and agri-product sector is a significant contributor to the provincial economy. Agriculture contributed 3.7% to the provincial gross domestic product (GDP) in 2016. The industry provides a source of livelihood, provision of raw and processed goods and offers solutions for diverse areas such as health benefits and enhancement of the ecosystem.

Growing the Sector

A total of \$5.8 million for projects under the Growing Forward 2 (GF2) - Growing Value program led to an incremental investment in Manitoba's **food processing sector** of \$89.6 million, created 98 new full-time positions and increased the purchase of Manitoba agri-inputs by \$15.7 million.

A foreign direct investment project (Roquette) announced it is building a \$400 million **pea protein processing** plant in the Rural Municipality of Portage la Prairie.

Department staff worked with Manitoba Agri-Health Research Network (MAHRN) and the Manitoba Canola Growers Association to transition a **cold-pressed oil** project from MAHRN to a group of canola growers to launch the product into local and domestic markets.

A new regulation for Dairy Farmers of Manitoba (DFM) was approved, enabling DFM to implement a levy that brought a major new dairy ingredients plant to the province creating new jobs, markets and opportunities for producers.

Disease and pest surveillance and **GF2 applied research** projects provide producers with timely information to expand production and manage risk. However, the value of these initiatives goes far beyond primary production. For example, surveillance of **potatoes** helps to ensure consistency in supply and quality to support Manitoba's substantive potato processing industry. Applied research projects, such as GF2 funded **sweet potato variety trials**, are targeted to advance crop diversification, add new value and create import replacements.

Manitoba Agricultural Services Corporation (MASC) facilitated \$84 million in new **private sector loans** to farmers.

\$1.7 million in rebates on interest and AgrilInsurance premiums supported **young farmers'** business efforts.

Improving Market Access and Competitiveness

Under **Growing Forward 2 (GF2)**, the department developed and implemented programming to advance the agriculture industry by helping producers and processors become more innovative and competitive. \$174 million of the \$176 million total federal and provincial five-year GF2 investment has been committed to projects. Investments in Manitoba's agriculture, agri-food and agri-product sector include:

- \$55.3 million in over 227 research and development initiatives
- \$51.6 million in 1,689 assurance and environment initiatives to adopt food safety, biosecurity, traceability, animal welfare and environmental best practices
- \$8.9 million to 267 agricultural organizations and businesses to develop strategic plan activities that lead the industry forward
- \$18.8 million in 61 projects that increase agri-product processing sustainability and capacity
- \$35.2 million in support of food safety assurance and agricultural weather risk management systems
- \$4.2 million for client services

The department ensured stakeholders had an opportunity to provide feedback on the effectiveness of GF2 programming. This feedback will guide the design of programming available under the next agricultural policy framework, which will be in place from 2018 to 2023.

The department worked with Direct Farm Manitoba and Manitoba Health, Seniors and Active Living in the publication of the booklet *Direct Marketing Your Food Product*, which explains **regulatory requirements for direct farm marketers**. The publication is available on the department website.

The department analyzed issues that impact Manitoba's inclusion in the **New West Partnership Trade Agreement** (NWPTA) and provided Growth, Enterprise and Trade (GET) with input during NWPTA negotiations. The department also collaborated with GET in providing input from an agricultural perspective on the **Canadian Free Trade Agreement** (CFTA) which replaces the former Agreement on Internal Trade (AIT).

Managing Risk in Agriculture

The department conducted 24 **food safety training** sessions for approximately 440 industry participants to increase awareness and facilitate effective adoption of preventative food safety programs. The sessions were funded through GF2.

The inaugural **International One Welfare Conference** was held in Winnipeg in September 2016 and was co-chaired by the department and Manitoba Health, Seniors and Active Living. The three-day conference attracted over 160 participants from across Canada and the international community.

Premises Identification (PID) information was used in all disease investigations and animal emergencies in 2016/2017 for a total of 13 incidents. Since implementation in 2010, PID information has been utilized in over 83 incidents.

Fifteen new **weather stations** were installed and 17 existing weather stations were upgraded with new hardware and software. Each weather station monitors wind, solar radiation, temperature, humidity, precipitation and soil temperatures.

Total net farm income in Manitoba in 2016 was at a similar level to the previous five-year average. That was due to relatively stable production and commodity prices, which also resulted in lower than average **business risk management** payments.

AgrilInsurance provided risk management tools to 8,400 farming operations covering 9.6 million acres.

Advancing Research and Innovation

Manitoba Beef and Forage Initiatives (MBFI), a three-year initiative, continued with 22 demonstration and extension projects focusing on enhancing beef and forage production. Research results were shared through 10 presentations at conferences, producer meetings and universities. In 2016, the MBFI team received a Manitoba Service Excellence Award in the Partnership category.

Growing Forward 2 provided \$1.56 million through the **Grain Innovation Hub** for 11 projects in 2015-2017 to help understand grain crop production challenges in Manitoba related to agronomics, disease management and quality.

Manitoba Pulse and Soybean Growers received \$400,000 over two years to establish capacity to conduct applied **pulse and soybean research** at the University of Manitoba.

Food Development Centre (FDC) has contributed to the advancement of **protein extraction resulting in protein ingredients and new applications**. Projects undertaken have resulted in maximizing protein quality in a whole milled pinto bean and buckwheat flour blend; providing companies with technologies related to protein quality, extraction and co-product utilization; supporting protein fractionation with entrepreneurs and processors and collaborating on canola, sunflower, barley/spent grain projects to investigate co-product utilization, protein extraction and applications.

The **Manitoba Livestock Manure Management Initiative** undertook a project on a two-cell manure storage system to enable farmers to release manure with a high phosphorous level in a cost effective manner. Other projects undertaken related to beneficial management practices manure application on Manitoba's tile-drained lands; and the formation of an Odour Management Technical Evaluation Committee to support growth in livestock production.

The GF2 Growing Innovation program provided \$1.7 million to support research in **production technologies and systems** for crops and livestock.

Reducing Red Tape

The **Building Code for Farm Buildings** was amended to reduce barriers to livestock production. Amendments to ***The Noxious Weeds Act, The Veterinary Services Act*** and **manure requirements within *The Environment Act*** were introduced as part of *The Red Tape Reduction and Government Efficiency Act, 2017*.

Statutes

Statutes administered by the department are listed in Appendix H. It should be noted that *The Food Safety Act* has not yet been proclaimed.

Préface

Structure du rapport

Le rapport annuel comprend de l'information sur les objectifs du ministère, les résultats atteints, le bilan financier et les écarts pour l'exercice 2016-2017, 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.
- La **section deux** comprend tous les annexes, comme les tableaux financiers sommaires, les responsabilités législatives du ministère, les indicateurs de performance, les renseignements sur la *Loi sur les divulgations faites dans l'intérêt public (protection des divulgateurs d'actes répréhensibles)* et les activités de développement durable.

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 2016-2017

Le secteur de l'agriculture, de l'agroalimentaire et des produits agricoles contribue énormément à l'économie provinciale. En 2016, l'agriculture représentait 3,7 % du produit intérieur brut (PIB) provincial. L'industrie procure une source de revenus, fournit des produits frais et transformés et propose des solutions à divers titres, comme des bienfaits pour la santé et le renforcement de l'écosystème.

Croissance du secteur

Un total de 5,8 millions de dollars pour des projets du programme Cultivons la valeur, dans le cadre de Cultivons l'avenir 2 (CA2), a permis un investissement supplémentaire

de 89,6 millions de dollars dans le **secteur de la transformation alimentaire** du Manitoba, en plus de créer 98 nouveaux postes à temps plein et d'accroître l'achat d'intrants agricoles du Manitoba de 1,57 millions de dollars.

Les instigateurs d'un projet d'investissement direct étranger (Roquette) ont annoncé la construction d'une installation de **transformation des pois** dans la municipalité rurale de Portage-la-Prairie, d'une valeur de 400 millions de dollars.

Des fonctionnaires du ministère ont collaboré avec le réseau de recherche en agrosanté du Manitoba et la Manitoba Canola Growers Association pour mener à bien la transition d'un projet d'**huile pressée à froid** élaboré par le réseau à un groupe de producteurs de canola, qui lanceront le produit sur les marchés locaux et intérieurs.

On a approuvé un nouveau règlement pour que les Producteurs laitiers du Manitoba puissent effectuer un prélèvement laitier rendant possible la mise sur pied d'une importante nouvelle **usine d'ingrédients laitiers** dans la province, ce qui a permis de créer de nouveaux emplois et d'ouvrir des marchés et des possibilités aux producteurs.

La **surveillance des maladies et des ravageurs** et les projets de **recherche appliquée** de CA2 ont fourni aux producteurs des renseignements opportuns pour accroître leur capacité de production et gérer le risque. Cependant, la valeur de ces initiatives dépasse largement la simple production primaire. Par exemple, la surveillance des **pommes de terre** contribue à garantir une constance d'approvisionnement et une qualité pour soutenir l'industrie de transformation de la pomme de terre au Manitoba. Des projets de recherche appliquée, comme les **essais de variétés de patates douces** financés par CA2, améliorent la diversification des récoltes, ajoutent de la valeur et ouvrent des possibilités de substitution aux importations.

La Société des services agricoles du Manitoba (MASC) a facilité le consentement de 84 millions de dollars en nouveaux **prêts du secteur privé** aux agriculteurs.

Des réductions de taux d'intérêt et des primes du programme Agri-protection de l'ordre de 1,7 millions de dollars ont permis de soutenir les efforts des **jeunes agriculteurs**.

Amélioration de l'accès aux marchés et de la compétitivité

Dans le cadre de **Cultivons l'avenir 2 (CA2)**, le ministère a élaboré et mis en œuvre des programmes pour faire progresser l'industrie agricole, en aidant les producteurs et les transformateurs à gagner en innovation et en compétitivité. Sur les 176 millions de dollars que les gouvernements fédéral et provincial ont investis dans CA2 sur une période de cinq ans, 174 millions de dollars ont été consacrés à des projets. Les investissements dans l'agriculture, l'agroalimentaire et les produits agricoles sont répartis comme suit :

- 55,3 millions de dollars dans 227 initiatives de recherche et de développement;
- 51,6 millions de dollars dans 1 689 initiatives d'assurance de la qualité et de respect de l'environnement, en vue de l'adoption de pratiques exemplaires en matière de salubrité des aliments, de biosécurité, de traçabilité, de bien-être animal et d'environnement;

- 8,9 millions de dollars à 267 organismes et entreprises agricoles pour qu'ils mettent en œuvre des plans stratégiques qui feront progresser l'industrie;
- 18,8 millions de dollars dans 61 projets axés sur la durabilité et la capacité de l'industrie de transformation des produits agricoles;
- 35,2 millions de dollars pour soutenir les systèmes d'assurance de la salubrité alimentaire et les systèmes de gestion du risque météorologique dans le secteur agricole;
- 4,2 millions de dollars dans les services à la clientèle.

Le ministère veille à ce que les intervenants puissent se prononcer sur l'efficacité des programmes de CA2. Cette rétroaction orientera la conception des programmes qui seront créés en vertu du nouveau cadre stratégique agricole qui sera en place de 2018 à 2023.

Le ministère a collaboré avec Direct Farm Manitoba et Santé, Aînés et Vie active Manitoba à la publication intitulée *Direct Marketing Your Food Product*, qui explique quelles sont les **exigences réglementaires s'appliquant au marketing direct agricole**. La publication (en anglais seulement) peut être consultée sur le site Web du ministère.

Le ministère a analysé les questions ayant une incidence sur l'intégration du Manitoba au **New West Partnership Trade Agreement (NWPTA)** et a apporté sa contribution à Croissance, Entreprise et Commerce Manitoba (CEC) pendant les négociations relatives au NWPTA. Le ministère a également collaboré avec CEC en exprimant le point de vue du milieu agricole pendant les travaux relatifs à l'**Accord de libre-échange canadien (ALEC)**, qui remplace l'Accord sur le commerce intérieur (ACI).

Gestion du risque en agriculture

Le ministère a animé 24 séances de **formation sur la salubrité alimentaire** à environ 440 participants de l'industrie, afin de sensibiliser davantage les gens et de faciliter l'adoption de programmes de prévention en matière de salubrité des aliments. Le financement de ces séances était assuré par CA2.

La première **International One Welfare Conference** a eu lieu à Winnipeg en septembre 2016, dont la coprésidence était assurée par le ministère et Santé, Aînés et Vie active Manitoba. La conférence d'une durée de trois jours a attiré 160 participants de partout au Canada et de la communauté internationale.

Les données concernant l'**identification des sites** ont été prises en compte dans toutes les enquêtes sur les maladies et les interventions d'urgence pour animaux en 2016-2017, qui se rapportaient à 13 incidents. Depuis 2010, quand ces données ont commencé à être compilées, elles ont été prises en compte dans plus de 83 incidents.

On a ajouté 15 nouvelles **stations météo** et mis à niveau 17 stations météo existantes en y installant de nouveaux matériels et logiciels. Chaque station surveille le vent, la radiation solaire, la température, l'humidité, les précipitations et la température du sol.

En 2016, le total des revenus agricoles nets au Manitoba était à un niveau similaire à la moyenne des cinq années précédentes, en raison de la stabilité relative de la production et du prix des marchandises, ce qui s'est traduit aussi par des paiements de **gestion du**

risque d'entreprise moins élevés que la moyenne.

Agri-protection a fourni des outils de gestion des risques à 8 400 exploitations agricoles totalisant 9,6 millions d'acres.

Avancement de la recherche et de l'innovation

D'une durée de trois ans, les **Manitoba Beef and Forage Initiatives (MBFI)** se sont poursuivies dans le cadre de 22 projets de démonstration et d'extension axés sur l'amélioration de la production de bovins et de fourrage. Les résultats de la recherche ont été présentés dans le cadre de dix conférences, au cours de réunions avec des producteurs et à des universités. En 2016, l'équipe responsable des MBFI a reçu un Prix d'excellence du service du Manitoba, dans la catégorie Partenariat.

En 2016-2017, Cultivons l'avenir 2 a accordé 1,56 million de dollars à 11 projets par l'entremise du **centre d'innovation pour les grains**, afin de mieux comprendre les problèmes associés à la production céréalière au Manitoba en ce qui concerne l'agronomie, la gestion des maladies et la qualité.

L'organisme Manitoba Pulse and Soybean Growers a reçu 400 000 \$ en deux ans pour pouvoir mener des travaux de **recherche appliquée sur les légumineuses et le soja** à l'Université du Manitoba.

Le **Centre de développement de produits alimentaires** a contribué aux progrès de la technologie d'**extraction des protéines, qui a donné des ingrédients protéinés et de nouvelles applications**. Les projets mis en œuvre ont permis d'optimiser la qualité des protéines contenues dans un mélange de farine d'haricots pinto moulus et de sarrasin; de fournir aux entreprises des technologies ayant trait à la qualité des protéines, à l'extraction et à l'utilisation de coproduits; de favoriser le fractionnement des protéines auprès d'entrepreneurs et de transformateurs; et de collaborer à des projets d'utilisation de tourteaux de canola, de tournesol et d'orge à des fins de surveillance de l'utilisation de coproduits, de l'extraction des protéines et des applications.

Une aide financière a été accordée à un projet de la **Manitoba Livestock Manure Management Initiative** se rapportant à un système d'entreposage du fumier à deux cellules, afin de permettre aux agriculteurs de livrer du fumier riche en phosphore à moindre coût. D'autres projets portaient sur les pratiques de gestion bénéfiques de l'épandage de fumier sur les terres drainées au moyen de tuyaux au Manitoba, et sur la formation d'un comité d'évaluation technique de la gestion des odeurs, afin de soutenir la croissance de la production animale tout en atténuant les émissions d'odeur avec plus d'efficacité.

Le programme Cultivons l'innovation de CA2 a accordé 1,7 million de dollars au soutien à la recherche portant dans les **technologies et les systèmes de production** pour la culture et l'élevage.

Réduction du fardeau administratif

Le **Code de construction des bâtiments agricoles** a été modifié afin de réduire les obstacles à la production animale. Des modifications à la **Loi sur la destruction des**

mauvaises herbes, à la ***Loi sur les soins vétérinaires*** et aux **exigences relatives au fumier dans la *Loi sur l'environnement*** ont été apportées dans le cadre de la *Loi de 2017 sur la réduction du fardeau administratif et l'efficacité du gouvernement*.

Lois

Les lois administrées par le ministère sont indiquées à l'annexe H. Il convient de noter que la *Loi sur la salubrité des aliments* n'a pas encore été proclamée.

SECTION ONE
PART A
PROGRAM AND FINANCIAL
INFORMATION

Appropriation 1 Administration and Finance

Administration and Finance provides for the executive management, strategic planning and control of departmental policies and programs. It includes financial and administrative management, accounting, comptrollership accountability, and information technology services.

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.
	2016/17 \$(000s)	2016/17 FTEs \$(000s)	Over/(Under) \$(000s)	No.
Salaries and Employee Benefits	51	1.00	51	-
Total Sub-Appropriation	51	1.00	51	-

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

- Ensured that departmental resources were allocated in accordance with departmental priorities and government policies.
- 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. No.
	2016/17 \$(000s)	2016/17 FTEs	2016/17 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	726	9.00	698	28	
(2) Other Expenditures	43		80	(37)	
Total Sub-Appropriation	769	9.00	778	(9)	

Appropriation 1 (c) – Department Planning and Service Innovation Directorate

Mandate

The Department Planning and Service Innovation Directorate's (DPSID) mandate is to:

- Lead in the development of the departmental vision and strategic plan; including fostering excellence in strategic and operational planning.
- Foster increased engagement and leadership of staff towards achieving department objectives.
- Advance the department's capacity to implement service innovation designed to increase effectiveness and efficiency in the use of departmental resources.
- Lead the department's performance management system and provide oversight on performance reporting requirements for departmental programming.
- Support and report on strategic directions and policies for the department.

The Directorate, in fulfilling its mandate, provides leadership to the department in support of key elements of effective government; those being planning and alignment, engagement, leadership, lean and performance management, innovation and implementation.

Program. Activities and Expected Results

Engagement

Expected Results

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

Actual Results

- Implemented a department employee engagement strategy. The 2015 Civil Service Commission Employee Engagement Survey results (released in 2016-2017) will serve as the benchmark for the impact of the Employee Engagement Strategy.

Performance Management

Expected Results

- Continuous improvement to an integrated performance monitoring system. Planning and reporting will focus on the department priorities and objectives and will be tabled in the Legislature as required in The Financial Administration Act

Actual Results

- Provided leadership and support in strengthening the integration between the strategic direction, resource allocations and performance monitoring.
- Coordinated the completion of the 15/16 Annual Report and Supplemental Information for Legislative Review for tabling in the Legislature. All reports were enhanced to strengthen the correlation to the strategic direction. Coordinated ministerial briefing materials.

Lean Management

Expected Results

- Trained lean management coaches transferring skills and application of lean

management in prioritized lean management projects.

- Twenty percent of staff have undertaken Lean 101 training.
- Completion of a minimum of five lean management projects focused on department priorities that result in efficiencies and increased customer value.
- Progress resulting from lean management initiatives is monitored and measured.

Actual Results

- Strengthened the department's lean management capacity with advanced training of one lean coach. Advanced lean management skills as applied to strategic planning through a Lean Leadership program focused at Executive and Directors.
- Advanced understanding of lean management with 190 staff participating in Lean Awareness or Lean Introduction programs.
- Undertook an extensive lean project to improve the administration and program delivery of the next Federal-Provincial-Territorial FPT Agricultural Policy Framework agreement. The project covers multiple programs and is still underway.
- Led the department's Regulatory Accountability and Red Tape Reduction project with completion of policy instrument inventory and commencement of baseline regulatory requirement count.
- Identified Key Performance Indicators for measurement of lean projects.

Leadership

Expected Results

- Increased clarity and understanding of the management roles resulting in improved team performance.
- Advanced skill development and performance in the department management team.

Actual Results

- Developed roles and competency matrix with accompanying development plan for senior management.
- Developed and implemented a department Management Capacity Development program, including the training of 21 managers on the Essentials of Supervision. Advanced management capacity in the areas of supervision, change management and lean strategic planning.

Innovation

Expected Results

- Service innovation advances are evidenced.
- Increased departmental capacity in change management.

Actual Results

- Identified service innovation advances realized and required to create recommendations for future alignment of resources and structure to meet government and industry needs. Advanced service innovation as internal branch capacity allowed.
- Certified 12 members of the senior management team in Prosci change management. Prosci change management program for Managers was completed by 25 members of the senior management team.

Execution

Expected Results

- Improved performance metrics and monitoring systems.
- Ministerial correspondence and speeches will provide timely and effective information.
- Continuous improvement in internal communication systems will effectively and efficiently meet the department's information needs.
- New approaches to external extension and communication will have been piloted and/or adopted including advancing use of social media and one- to-many techniques.

Actual Results

- Reviewed and upgraded performance metrics used in annual reporting.
- Completed 106 Ministerial letters and 114 notes for speeches.
- Reviewed and updated internal processes for ensuring the department's website content remained up-to-date. Training was provided to support the new process.
- Increased engagement on the Manitoba Agriculture Twitter channel with 1.06 million impressions (number of times users saw @MBGovAg tweets on Twitter) and the department's channel followers increased by 187%. The Twitter channel helped drive traffic to the department website with 5,200 website URL click-throughs.

Planning and Alignment

Expected Results

- Modern, timely and focused departmental strategic plan.
- Engagement in strategic plan advances departmental and government priorities.
- All position descriptions are considered current in reflecting strategic direction and with current classification.

Actual Results

- Led the Executive Management Team (EMC) in the updating of the Strategic Direction 2016-18 to reflect emerging government priorities.
- Coordinated management response to department realignment of senior management resources.
- Distributed a department planning synopsis document to all staff to aid in the development of branch and individual work plans.
- Sustained over 95% of position descriptions in current condition reflecting strategic direction and appropriate classifications.

1 (c) Department Planning and Service Innovation Directorate

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2016/17 \$(000s)	2016/17 FTEs	2016/17 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	467	8.00	651	(184)	
(2) Other Expenditures	150		219	(69)	
Total Sub-Appropriation	617	8.00	870	(253)	

Financial, Administrative and Information Technology Services Division

The Financial, Administrative and Information Technology Services Division leads the comptrollership function and provides assurances that financial and information technology management practices, systems, delegated authorities and processes are functioning to support departmental programming for an efficient and effective government. The division ensures that there is appropriate accountability in program areas; that expenditures are in compliance with policies, procedures, acts and legislation; and leads the diversity, inclusion and employment equity efforts of the department.

The division, in fulfilling its mandate, provides leadership to the department in support of key elements of effective government; those being planning and alignment, engagement, leadership, lean, performance and risk management, innovation and implementation.

Appropriation 1 (d) – Financial and Administrative Services

Mandate

The Financial and Administrative Services Branch (FAS) plays a critical role in the financial, accounting, management and administration functions to support the department in accomplishing its priorities. The branch provides leadership in developing and administering financial and administrative systems and co-ordinates the department's reporting required under The Financial Administration Act. The branch also leads the Department Audit Committee and is responsible for following up on audit recommendations, reviewing and implementing department wide enterprise risk management strategies to promote governance, awareness and accountability through staff training and risk assessment.

Program, Activities and Expected Results

Planning and Alignment

Expected Results

- Departmental programming reflects departmental and government priorities and is managed in an efficient and effective manner.

Actual Results

- Undertook estimates and reporting process in an integrated manner to ensure that budget and in-year activities aligned with departmental and governmental priorities, and were an efficient and effective use of resources.

Engagement

Expected Results

- Policies and processes will be developed in a consultative manner that is consistent with central government policy and will reflect the operational needs of the organization.

- Policy and process information on the department intranet site will be updated and communicated in a timely manner for greater autonomy and consistent implementation throughout the organization.

Actual Results

- Adopted a common service delivery approach to foster engagement, consultation and development of efficient policies and processes that meets government and departmental operational needs. Staff also participated in or led working groups on: delegated financial signing authorities (DFSA); government reporting systems; and transactional processing.
- Updated the department Intranet site to include current guides/policies/forms related to procurement; DFSA; expenditure management; SAP business continuity plan; and GST policies. In addition, staff coordinated the internal government phone book.

Performance Management

Expected Results

- The department has an effective comptrollership framework that provides financial and non-financial information, accessible throughout the department, to support decision-making and facilitate management control.
- Policies, guidelines and procedures are consistent with central government requirements and departmental operational needs.
- Requests for access to information under *Freedom of Information and Protection of Privacy Act* (FIPPA) will be responded to in accordance with the Act and its regulations. Privacy Impact Assessments will be completed and privacy requirements will be addressed.

Actual Results

- Updated comptrollership-related policies/processes as well as ensured financial reporting and estimates requirements were met. In addition, departmental estimates were submitted entirely using the province's Public Budget Formulation Module (PBFM) for the first time.
- Updated DFSA chart in a manner that met the operational needs of department; and ensured consistency with government policies.
- Received and responded to 34 applications for access under the *Freedom of Information and Protection of Privacy Act* (FIPPA). Staff also attended monthly interdepartmental meetings.

Lean Management

Expected Results

- The branch will maintain a continuous improvement approach on delivering services of high value in the leanest manner possible.

Actual Results

- Developed a new tool to automate the production of specimen signature cards in support of the annual DFSA process in order to reduce time needed to produce and distribute over 200 cards. The branch also incorporated lean principles in all administrative and comptrollership policies/processes updated/created during the year.

Risk Management

Expected Results

- Internal audits are conducted in areas of high risk and audit recommendations are implemented.
- A process is developed for consistent updating of a Business Continuity Plan that is effective in enabling the department to manage disruptions in service.
- Staff will be provided a safe working environment, a venue for reporting on workplace safety and health concerns and all members of the public will have access to departmental resources and facilities.

Actual Results

- Developed an audit plan for consideration based on assessed risks. Reviewed branch responses to various reporting requirements during the year and at year end to monitor compliance with government requirements.
- Finalized a Business Continuity Plan for issuing payments if SAP is unavailable was tested, and made available to all staff on the intranet site.
- Responded to workplace, safety and health questions and concerns and participated on departmental groups/committees including Disability Access and Workplace Safety and Health.

Leadership

Expected Results

- Ensure staff understand and have the tools to facilitate effective comptrollership.
- Disseminate information regarding diversity, inclusion and employment equity policies and initiatives to departmental staff.

Actual Results

- Required staff to complete all five of the Comptrollership Online courses offered through Organization and Staff Development (OSD) to gain a better understanding of comptrollership and how it works. Created a Comptrollership Toolkit that is available and maintained on the department Intranet site to provide all staff with links to government policies, resources and training available.
- Required all staff and new hires to complete *The Accessibility for Manitobans Act* and Inclusion and Diversity in the Workplace online courses. The branch also coordinated the Student Temporary Assistance Program, which employed 50 summer and 20 fall students with a continued focus on diversity in the workplace.

Innovation

Expected Results

- Quicker benefit realization on policy/process changes will occur because everyone involved is better positioned to undertake the changes required.

Actual Results

- The divisional management team completed change management training based on the ADKAR® model (awareness, desire, knowledge, ability, reinforcement) and has utilized this training in adopting the division's five- pronged approach to employee engagement and ensuring that all of the division's change management activities are consistent with the Prosci principles.

Execution

Expected Results

- Contracts, grants and agreements are administratively, financially and legally sound.
- Administrative processes are managed and coordinated in an efficient and effective manner in order to ensure departmental needs are met.
- The estimates of expenditure and revenue information and year end reporting are completed in a timely, efficient and accurate manner.

Actual Results

- Implemented a new Record of Procurement to support departmental purchasing activities and reviewed procurement activity as part of the monthly reporting of contracts over \$10,000. Staff also continued to provide advice and assistance in the development of contracts and agreements as required.
- Provided support to departmental staff on meeting government requirements and maximizing resources to achieve intended outcomes in the areas of administration (i.e. procurement, records management, workplace safety & health), financial management, and risk management.
- Completed the department's expenditure and revenue estimates and year end reporting accurately and with increased efficiency, and submitted on a timely basis.

1 (d) Financial and Administrative Services

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2016/17 \$(000s)	2016/17 FTEs	2016/17 \$(000s)	Over/(Under) \$(000s)	No.
(1) Salaries and Employee Benefits	931	16.00	1,275	(344)	1
(2) Other Expenditures	172		335	(163)	
Total Sub-Appropriation	1,103	16.00	1,610	(507)	

1. The variance is mainly due to vacant positions.

Appropriation 1 (e) – Information Technology Services

Mandate

The Information Technology Services (ITS) Branch collaborates, develops and maintains modern information technology (IT) solutions that enable performance management and operational needs. Solutions range from the desktop computing environment to large highly specialized laboratory, food traceability, and surveillance systems.

In addition to program and service specific technologies, the ITS Branch is responsible for providing leadership and alignment of technologies providing shared service platforms such as the website, the Spatial Data Infrastructure for Geographic Information Systems collaborative work places and *AccessManitoba*.

ITS assesses current technologies, processes and documents the desired future state to enable the department to assess cost benefit and make strategic decisions.

Program, Activities and Expected Results

Planning and Alignment

Expected Results

- Information Technology (IT) projects will be aligned, prioritized and implemented in a manner that supports the department's Strategic Direction.

Actual Results

- Drafted an IT project prioritization process that supports the department's Strategic Direction.

Engagement

Expected Results

- Policies and processes will be developed in a consultative manner that is consistent with central government policy and reflects the operational needs of the organization.
- Policy and process information on the department Intranet site will be updated and communicated in a timely manner for greater autonomy and consistent implementation throughout the organization.
- Staff have the training and support they require to perform their functions successfully; the day to day operational needs of the department are met; and staff are cross trained to minimize risk of computer systems disruptions.

Actual Results

- Developed policies and processes regarding information management that are consistent with central government policy and reflect the operational needs of the organization.
- Updated the department Intranet site with policy and process information and planed further updates to the site.
- Trained staff in business analysis, lean management and change management. Cross training in computer system support occurred.

Performance Management

Expected Results

- Establishing baseline measures will allow for targets to be established and supporting improvement projects to be defined.

Actual Results

- Established baseline measures and initiated supporting improvement projects.

Lean Management

Expected Results

- The branch will maintain a continuous improvement approach on delivering services of high value in the leanest manner possible.

Actual Results

- Evaluated the delivery of desktop services and implemented improved processes for the delivery of these services.

Risk Management

Expected Results

- Delegated access to information and updated security roles ensures staff can efficiently access the information they require and ensures security of information is appropriately managed.

Actual Results

- Evaluated, analyzed and documented delegated access to information.

Leadership

Expected Results

- Staff will proactively engage with all department program areas to gain a greater understanding of programs, priorities and operational needs.

Actual Results

- Engaged with departmental program areas and gained greater knowledge of their needs to assist with the prioritization of future projects.

Innovation

Expected Results

- Agriculture will have a modern information management system that will facilitate information sharing, file management and employee access and permissions.
- Quicker benefit realization on IT projects will occur because everyone involved is better positioned to undertake the changes required by the project.

Actual Results

- Evaluated information management needs and developed prototype systems that will provide greater opportunities to collaborate in client service and increase operational efficiencies.
- Department training in change management increased the acceptance and success of IT projects.

Execution

Expected Results

- New government systems will be adopted in an efficient and effective manner that supports the department's needs.

Actual Results

- Established a process to ensure government systems are developed or enhanced to implement new processes that meet client and business needs.

1 (e) Information Technology Services

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2016/17 \$(000s)	2016/17 FTEs	2016/17 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	649	10.00	824	(175)	
(2) Other Expenditures	155		269	(114)	
Total Sub-Appropriation	804	10.00	1,093	(289)	

Appropriation 2 Strategic Policy and Innovation

The Strategic Policy and Innovation Division provides leadership, coordination and development of policy, program, legislation and research initiatives that enhance Manitoba's agriculture, agri-food and agri-product sector.

Appropriation 2 (a) - Sector Policy, Planning and Programs

Mandate

The role of the Sector Policy, Planning and Programs (SP3) Branch is to advance sector planning, policy and programs that foster an environment for competitiveness, adaptability and sustainability of Manitoba's agriculture and food industry. SP3 provides knowledge on agriculture, food and rural development policy issues to government decision-makers; facilitates effective policy development and industry strategic planning; and develops and manages delivery of programs.

SP3 coordinates Manitoba Agriculture's policy responses and program development. SP3 provides oversight and policy guidance on strategic industry challenges and opportunities and operates through collaboration and consultation with departmental staff, other departments and external stakeholders.

SP3 leads in working with federal, provincial, and territorial (FPT) jurisdiction partners in shaping national agricultural policy frameworks. This includes the Growing Forward 2 (GF2) policy framework (including Business Risk Management (BRM)), marketing systems, transportation, and trade. SP3 manages the Growing Forward 2 (GF2) policy framework agreement, the administration of Manitoba's GF2 programs and the provincial contribution to AgriStability and AgriInvest Programs.

Program, Activities and Expected Results

Primary Agriculture Industry Development

Expected Results

- The suite of Federal-Provincial-Territorial (FPT) Business Risk Management (BRM) programs (AgriStability, AgriInsurance, AgriInvest, AgriRecovery) and other financial assistance programs (Western Livestock Price Insurance, Flood compensation) 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 Multilateral Framework Agreement.
- Manitoba will have effective systems and producers will have tools to manage climate related risks to agriculture.
- Multiple forums of extensions and consultation will be conducted with stakeholders on BRM, trade, transportation and the framework that improves policy utilization, development and effectiveness.

- Effective responses and recovery plans will be developed to sustain farms through significant economic events that occur during the year.
- Stakeholders will receive assessment and potential funding support in developing new insurance products to manage sector risks.
- Manitoba's transportation and grain marketing policy priorities are communicated to national and regulatory agencies.
- Effective delivery and subsequent impacts of the GF2 Growing Actions Program and Growing Assurance - Beaver Farmland Damage Control Program.
- Improve market access and competitiveness through advocating for effective transportation and marketing systems, developing trade agreements, utilizing market intelligence and participating in robust surveillance activities

Actual Results

- Made Manitoba's financial contributions to AgriStability and AgriInvest when required. Worked with the federal government administration to ensure effective program delivery for Manitoba's 6,723 AgriStability and 10,532 AgriInvest participants (for details see 3B - Agricultural Income Stabilization). Worked with 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.
- Consulted with stakeholders on the effectiveness of business risk management programs in addressing Manitoba's needs. Results and analysis fed into a Manitoba position in the development of the Next Policy Framework (NPF).
- Made AgriInsurance, AgriStability and AgriRecovery available for producers to manage production risk including those related to weather and climate. (There were no broad flood or drought events in 2016.) Represented the department on the Shellmouth Dam Liaison Committee to recommend operations of the Shellmouth Dam to reduce the risk of flooding in the Assiniboine River valley.
- Engaged with stakeholders to receive feedback on GF2 effectiveness and program development for NPF. Hosted two large consultation sessions, and a focused session with Keystone Agriculture Producers (April 2016). Thirty-five industry organizations participated in the June 2016 pre-FPT session and more than 100 stakeholders participated in the July 2016 Ministerial Industrial Consultation on 'Growing the Agriculture Sector Together'.
- Assisted Manitoba producers, through AgriStability, AgriInsurance and AgriInvest, who incurred individual income declines in 2016. There were no major economic events in 2016/17 that required an AgriRecovery response.
- Provided support to the federal government in assessing requests under the AgriRisk Initiative for research and development of potential new risk management products. No new insurance products were developed in Manitoba under the AgriRisk Initiative in 2016/17.
- Submitted information to federal ministers of Agriculture and Transportation outlining Manitoba's priorities on proposed changes to *The Canada Transportation Act* following consultations with grain shipping stakeholders. Held consultations with livestock feed grain marketers and buyers, producer car loaders and site operators and provided a submission of Manitoba's recommendations regarding a proposal to expand grain dealer licensing requirements to the Canadian Grain Commission.

- Approved 17 GF2 - Growing Actions projects with \$2.1 million allocated to initiatives that allowed organizations to expand market share and develop new business models; including implementing new marketing strategies. As a result of the funding, Manitoba organizations were able to position products to take advantage of three new market development opportunities.
- Funded 63 initiatives for \$142,000 under the Farmland Beaver Damage Control Program, protecting 10,610 acres of agricultural land.
- Provided information and expert analysis at the Crop Logistics Working Group, which brought together agriculture sector experts to provide advice on improving the grain handling and transportation system and supporting agriculture sector input to the *Canada Transportation Act* (CTA) review. Presented Manitoba's interests in agricultural trade agreements and market access issues at the FPT agricultural trade working group and at international forums such as the Tri-National Accord and Legislative Agriculture Chairs Summit.

Agri-Food and Agri-Product Development

Expected Results

- Manitoba Agriculture will offer a set of policy instruments that provide an innovative business environment for the agri-food and agri-product industry to be market responsive, competitive and sustainable.
- GF2 programming and related outcomes that has enabled an agriculture, agri-food and agri-product sector to be competitive in domestic and international markets, adaptable and sustainable through continuous development and adoptive of new products and practices.

Actual Results

- Provided policy support and analysis on transportation, trade and economic issues that support agri-food and agri-product competitiveness and sustainability. Implemented the suite of GF2 programs to advance the agriculture industry by helping producers and processors adopt innovative practices and improve competitiveness in the marketplace.
- Committed more than \$174.0 of the \$176.0 million federal and provincial five-year GF2 investment as of March 2017. Approximately \$135.0 million of the \$174.0 million was utilized for direct grant funding with 37 percent for research and development to institutions and companies; 13 percent for industry organizations; 15 percent for agri-product processors; and 35 percent for producers. The remaining \$39.0 million was directed to program implementation and delivery.

Protection of Human, Animal and Plant Health

Expected Results

- An assessment of the risks in current policies and an action plan on policy and program activities that support and further advance the public confidence in the protection of human, animal, plant and resource health.

Actual Results

- Developed a strategic approach to public trust that will be enabled by policies and programs under the NPF. The approach has a robust assurance system that provides confidence in the practices conducted and effective communications that promote dialogue on matters of public interest.

Applicable to all Areas of Focus

Expected Results

- GF2 programming and related outcomes that enable an agriculture, agri-food and agri-product sector that is competitive in domestic and international markets, adaptable and sustainable through continuous development and adoptive of new products and practices.
- Develop an FPT policy that outlines the commitment for the next framework, provides clear direction on goals and identifies fundamental principles for the development of an agreement.
- The Government of Manitoba negotiates inclusion in the New West Partnership Trade Agreement with full understanding of the interprovincial trade impacts and opportunities on Manitoba's agriculture, agri-food and agri-product sector.
- Trade policy agreements and bilateral activities that improve trade opportunities and meet international trade obligations,
- Collaborative activities with US and Mexico on common interests, such as science and technology, pollinators, disease surveillance and changing climate.
- Gather intelligence on trade actions for decision makers and stakeholders on key trade issues.
- Ensure effective federal assistance for supply-managed producers and processors to support them throughout the implementation of the Trans-Pacific Partnership (TPP) and the Canada-European Union Comprehensive Economic and Trade Agreement (CETA).
- Requirements for the monitoring and reporting on Manitoba's World Trade Organization and government expenditures are met.
- Strategic plans that focus direction of resources and actions on issues and opportunities for the growth and sustainability of the sector.
- Policy issues will be identified, assessed and appropriate responses will be developed for consideration of senior management.

Actual Results

- Developed and implemented a suite of programs to advance the agriculture industry by helping producers and processors become more innovative and competitive. As of March 2017, committed more than \$174.0 of the \$176.0 million federal and provincial five-year Growing Forward 2 investment. Investments to Manitoba's agriculture, agri-food, and agri-product sector include:
 - a. \$55.3 million in over 227 initiatives in research and development
 - b. \$51.6 million in 1,689 assurance and environment initiatives to adopt food safety, biosecurity, traceability, animal welfare and environmental best practices.
 - c. \$8.9 million to 267 agricultural organizations and businesses to develop strategic plans activities that lead the industry forward.
 - d. \$18.8 million in 61 projects that increase agri-product processing sustainability and capacity.
 - e. \$35.2 million for knowledge and technology transfer in support of food processing safety assurance and agricultural weather risk management systems;
 - f. \$4.2 million for client services.
- Developed in collaboration with Federal, Provincial and Territorial (FPT)

counterparts, the agreed upon FPT policy areas and fundamental principles to outline the FPT commitment for the NPF (2018-22).

- Identified and analysed policy issues related to inclusion in the New West Partnership Trade Agreement (NWPTA) that impact the agriculture industry's potential for growth. Provided Growth, Enterprise and Trade (GET) with input to address these impacts during NWPTA negotiations.
- Collaborated with GET, as lead department for work on the Canadian Free Trade Agreement (CFTA), (which replaces the former Agreement on Internal Trade (AIT)), providing input from an agricultural perspective.
- Attended the Tri-National Accord to raise the importance of growing the food-processing sector and how NAFTA partners can work together to strengthen North American competitiveness.
- Advocated for a better trade relationship with the US and Mexico on policy that supports common interests; such as dairy and beef access, organic standards and GMO labelling; at agriculture trade policy events including the Tri-National Accord and the Legislative Agriculture Chairs Summit. Supported the negotiation of new agreements including NWPTA, CFTA and the TPP working closely with GET, Agriculture and Agri-Food Canada (AAFC), Market Access Secretariat (MAS) and the Chief Negotiators for Agriculture through the Federal-Provincial Agricultural Trade Policy Committee (FPATPC) to convey Manitoba's desired outcomes under such free trade agreements. Provided technical support on actions to resolve international market access issues of priority to Manitoba including a Ministerial presentation to the Standing Senate Committee on Agriculture Trade and Forestry regarding border issues related to supply management, Country of Origin Labelling (COOL) for sheep, labour issues and infrastructure concerns.
- Represented Manitoba's interests at FPT forums to convey the importance of appropriate federal financial assistance for supply managed commodities and processors affected by increased access for dairy products under CETA. This resulted in \$350.0 million of federal funding to assist with technology and modernizing dairy operations to better compete with increased EU imports.
- Submitted provincial expenditures on the agriculture and agri-food sector data to AAFC for determination of the Organization for Economic Cooperation and Development (OECD) Producer Support Estimates (PSE) and General Services Support Estimates (GSSE), and notification of domestic support to the World Trade Organization (WTO).
- Initiated and facilitated sector-planning meetings with the poultry sector on enhancing value chain opportunities in Manitoba. Created guiding principles for sector strategy development as a department planning resource. Developed and implemented a strategic planning process for the NPF, including the analysis of the current state and desired future state for the sector.
- Identified the external driving forces that will impact the agriculture, agri-food and agri-product sector in Manitoba and the development of the NPF, in 2018 and beyond, through an environmental scan process.

2 (a) Sector Policy, Planning and Programs

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2016/17 \$(000s)	FTEs	2016/17 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	1,565	23.00	1,970	(405)	1
(2) Other Expenditures	206		409	(203)	
Total Sub-Appropriation	1,771	23.00	2,379	(608)	

1. The variance is mainly due to vacant positions.

Appropriation 2 (b) – Research and Market Intelligence

Mandate

The Research and Market Intelligence Branch delivers programs related to research and market information in the agri-food sector. The scope of research covers discovery to pre-commercialization activities. The scope of market intelligence covers primary and secondary agriculture and food sectors and estimates of the sector's economic impact.

Research and Market Intelligence Branch ensures Manitoba's capacity for research matches the sector's needs and is utilized in a manner that achieves industry and provincial goals. This includes developing and managing the department's contributions to research in crops, livestock, economics, environmental sustainability, rural development, food safety, renewable energy, functional food and bio-products. The branch represents Manitoba on these issues in their regional and national contexts.

Research and Market Intelligence Branch gathers, interprets and disseminates information on agriculture and food sector performance. Information on primary commodities and processed goods is gathered and interpreted to support policy and program development and to report on sector performance for public discourse and sector strategic planning. The branch represents Manitoba on these issues in their regional and national contexts.

Program. Activities and Expected Results

Primary Agriculture Industry Development

Expected Results

- Progress from research and development projects on production technologies and systems for crops and livestock supported through GF2 and by the grant to U of M.
- Establishment of research and knowledge transfer equipment and facilities at Brandon and Brookdale; baseline information on pasture and soil condition; preliminary studies on sustainable beef production.
- Progress from genomic research projects supported through GF2 to improve crops and livestock, including Genome Prairie facilitated projects to enhance crop productivity.
- Industry statistics and farm income data sets available for policy and private users.
- National and international collaborative research and market intelligence projects and reports; global supply and disposition and trade conditions and their meaning for Manitoba.
- Market analyses including projections for the major food processing and bio-product industries in Manitoba.
- Market analyses including projections for the major primary commodity industries in Manitoba; local supply and disposition and export conditions in the current historical time frames.

- Farm income data sets and analyses supporting federal-provincial Business Risk Management (BRM) programming; on-going support farm business risk management which translates into economic risk mitigation for rural economies.

Actual Results

- Awarded \$1.7 million to support research on production technologies and systems for crops and livestock under GF2 Agri-Food Research and Development Initiative (ARDI), Capacity and Knowledge Development (CKD), and On Farm programming. Crop production projects addressed breeding and variety development, disease management, and agronomy. Livestock projects addressed PEDv, feed quality, and animal health.
- Funded commodity specific projects including corn (\$415,000), eggs (\$105,000), hogs (\$136,000), sunflower (\$80,000), vegetables (\$26,000) and potato (\$132,000). Of the \$782,000 operating grant to the University of Manitoba, \$79,000 was allocated to 11 plant science projects and \$74,000 to four animal science projects. \$3,000 was allocated to one egg project.
- Worked on the Manitoba Beef and Forage Initiative three year project with Manitoba Beef Producers. Twenty-two demonstration and extension projects focused on: developing better grazing techniques, reducing the impact of weed species, improving soil quality, improving forage production, testing pest management techniques, improving the health of wetlands, testing the efficacy of energy dense forages, extending the winter grazing season and improving the productivity of marginal lands. Completed construction on needed infrastructure. Ten tours were held at Manitoba Beef & Forage Initiative sites (including the McDonalds Pasture Tour with 125 attendees) and ten presentations were given at conferences, producer meetings and universities to 1,500 people on the research and demonstration projects.
- Funded two Genome Prairie projects totaling \$282,000 under the Grain Innovation Hub (GIH); one to develop genomics and proteomics tools enable beekeepers to quickly and cost effectively breed healthy, disease resistant, productive bee colonies that are better able to survive harsh Canadian winters; and the other to support international collaboration to sequence the entire wheat genome and to characterize genetic variation influencing critical traits targeted by wheat breeders in Canada.
- Published over 300 industry/market intelligence reports (weekly, monthly and annual) online. Increased Market Intelligence webpages hits totaled 245,650 in 2016. Compiled and published datasets on prices, inventories, production, and marketing of agricultural commodities, food and bio-products. Prepared for policy and private users market reports and tables, including Manitoba Markets (100 weekly reports), Special Livestock Tables (35 reports), and Special Crops Tables (two reports). Provided historical statistics on finance, crops, livestock, weather, land, and agri-food (100 reports). Responded to approximately 300 market intelligence inquiries from governments and industries in 2016.
- Participated and supported national and international collaborative projects to ensure market and industry information accuracy for Manitoba. Provided local supply and disposition and export conditions in the current and historical time frames for those projects. Presented four webinars including Grain Marketing Plans (University of Minnesota), Livestock Outlook (LMIC, Denver), Electronic

- Commodity Markets (U of M), and Community Supported Agriculture (U of M).
- 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, and ministerial presentations. Evaluated opportunities to provide intelligence support to the development of NFP programs; protein, feed, and livestock growth strategies; and contributed to Manitoba Finance's 18K Report, Conference Board of Canada reports, Agriculture Outlook, and Capital Region Project. Conducted sectoral and situational analyses to support domestic and international trade with major partners including EU, US, Mexico, UK, India, and China. Prepared and published commodity reports on grains, vegetables, cattle, pigs, forages, hemp, bison, sheep, canola, pulses, poultry, bees, and agri-food products.
- Participated in industry meetings and Manitoba Ag Days. Made presentations to bison and sheep associations, and community planners.
- Developed templates for producers to report numbers and sales of pigs, cattle, horses, bison, and forages. Increased producers' participation in surveys. Improved accuracy of market information. Reduced risk of misinformation for BRM programs.

Agri-Food and Agri-Product Development

Expected Results

- Progress from bio-product research and development projects supported through GF2 and the Manitoba Biomass Energy Program; products developed by Composites Innovation Centre and their industrial clients; biomass energy technologies that economically replace coal for space and water heating; progress from projects supported by the grant to Prairie Agricultural Machinery Institute.
- Progress from food, feed and ingredient research and development projects supported through GF2 and the Grain Innovation Hub initiative (see Section 2D); collaborative projects among food processors, feeders and plant breeders under the Functional Food and Feed Program of the Grain Innovation Hub; progress from projects supported by the grant to University of Manitoba.
- Progress from Manitoba Agri-Health Research Network projects supported through GF2; functional food projects from Manitoba products such as carrots, oats, sunflower, Saskatoon berries, flax and soy.
- National and international collaborative research and market intelligence projects and reports; commodity market outlooks for Canada and Manitoba; national GF2 investment summary.
- On-going and customized market analyses prepared with the input of stakeholders.
- 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, Grain Innovation Hub (see Section 2D), and initiatives in sunflower, vegetables, corn, soy, potato and bioproducts.

Actual Results

- Awarded \$500,000 to 12 projects under the Biomass Energy Program Research & Development (MBEP – R&D) Program. Composites Innovation Centre received \$350,000 for two projects under GF2 (CKD); one to develop an effective retting process for hemp and flax fibres and the other to support their BioNet program. Manitoba Agriculture assisted Prairie Agricultural Machinery Institute (PAMI) with an annual grant of \$333,000 to support economic development in agriculture by providing applied research, testing and evaluation services to producers. In addition to the operating grant, PAMI was awarded \$288,000 for six projects under GF2 funding (On Farm), \$68,000 under GF2 funding (CKD), \$30,000 for one project under the Grain Innovation Hub and \$272,000 for six projects under the MBEP – R&D. Projects included grain storage, fibre harvesting, oilseed harvesting, on farm surface water management, and anaerobic digesters.
- Awarded \$701,000 to support nine projects on food, feed and ingredient research related to such topics as food safety, dietary effects and processing technologies under GF2 (ARDI, CKD, and On Farm). Awarded \$240,000 to two projects under the Grain Innovation Hub; one on the effect of genotype and environment on pulse flour quality and baking performance and the other on the use of fermented dough for formulating bakery products containing wheat and pulse flours. Of the \$782,000 operating grant to the University of Manitoba, \$151,000 was allocated to 13 food, feed and ingredient projects under the projects.
- Funded MAHRN in the amount of \$496,000 for two projects from GF2 Capacity and Knowledge Development; to advance relationships between producers, industry and cluster members, and on functional feed opportunities.
- Initiated three external research projects at Manitoba Beef and Forage Initiative that focused on improving cow nutrition for higher quality calves, measuring feed intake on pasture and reviewing the use of microbial biomass as an indicator of soil health.

Protection of Human, Animal and Plant Health

Expected Result

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

Actual Results

- Continued to operate MLMMI on a five-year (2013- 2018) grant of \$2.3 million with a mandate to investigate a range of issues associated with manure management, including manure handling and storage, agronomic benefits of manure as a fertilizer, the risk of PEDv spread via pig manure, and odour mitigation technologies. Results achieved included quantifying cost reductions of using gravity to capture phosphorus in two cell manure storages, Beneficial Management Practices for manure application on Manitoba's tile-drained lands, and the formation of an Odour Management Technical Evaluation Committee to support growth in livestock production by enhancing the effectiveness of the livestock industry in mitigating odour emissions. MLMMI participated in the Association of Manitoba Municipality Planning and Annual meetings where research information was made available to Manitoba Reeves and Councilors enhancing their

awareness of the program's projects and results.

2 (b) Research and Market Intelligence

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2016/17 \$(000s)	FTEs	2016/17 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	955	17.00	1,450	(495)	1
(2) Other Expenditures	153		273	(120)	
(3) Grant Assistance	1,215		1,215	-	
Total Sub-Appropriation	2,323	17.00	2,938	(615)	

1. *The variance is mainly due to vacant positions.*

Appropriation 2 (c) – Boards, Commissions and Legislation

Mandate

Boards, Commissions and Legislation (BCL) provides administrative, technical and regulatory support to Manitoba Agriculture's boards, councils, commissions and administrative tribunals that deliver on important government priorities.

BCL ensures the effective participation by the producers, citizens, and government staff appointed to serve through its administrative activities, the maintenance and promotion of good governance policies and procedures, and training.

BCL also coordinates all the legislative and regulatory matters administered by the department to ensure that acts, regulations and orders are consistent with the objectives of the Manitoba government and the department's policy direction.

Program. Activities and Expected Results

Primary Agriculture Industry Development

Expected Results

- Manitoba will retain the number and production levels of large food processors working in supply-managed industries.
- 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.
- Horse racing is carried on in a manner that is fair and safe for all participants and contributes to economic development in rural areas.
- All appointed members receive board orientation and training and all boards have in place appropriate policies and procedures.
- Board administrative procedures are documented and reviewed continually for improvement.
- Legislative and regulatory changes, as well as board decisions, are well supported by effective policy consultation and development.
- All inspection, complaint, and hearing protocols are continually reviewed for improvement. A strategy is in place to increase enforcement activity.

Actual Results

- Worked with producer boards, processors and producers to facilitate the growth of their markets. The Manitoba Farm Products Marketing Council (MFPMC) ensured that the supply managed boards that they supervised were able to expand both their production and producer opportunities. Amended Manitoba Pork Council's marketing plan to enable them to better serve their producers. Approved a new regulation for The Dairy Farmers of Manitoba (DFM) enabling DFM to implement a levy that brought a major new dairy ingredients plant to the province creating new jobs, markets, and opportunities for producers.
- Ensured agriculture boards operated effectively to deliver their programs and fulfilled all of their operating and reporting requirements under their respective acts and mandates. The MFPMC met nine times during the year and hosted the annual

Western Supervisory Boards Meeting. The Farm Industry Board met 28 times. The Appeal Tribunal met 21 times, 10 times on Agricultural Crown Land appeals and 11 times on MASC appeals. The Animal Care Appeal board heard five appeals. The Milk Prices Review Commission met once.

- Assisted the Manitoba Horse Racing Commission to ensure racing at the Assiniboia Downs and the rural circuit was both competitive and fair to all participants. The Commission, with the Horsemen and Track Operators, continued to work to offer a safe environment for humans and animals.
- Trained new board members on both general board governance and specific workings of government tribunals. Continued to work with boards to ensure that policies and procedures are up to date and reflect best practices.
- Amended or introduced 27 regulations. Amendments to *The Agricultural Producers' Organization Funding Act* were introduced, and amendments to *The Noxious Weeds Act* were proclaimed. In its supervisory capacity, the MFPMC monitored eight boards authorized under *The Farm Products Marketing Act* to ensure producers were adequately consulted on issues related to producer levies, penalties, management of quota, new programming and commodity promotions.
- Worked with boards to review inspection, complaint, and hearing protocols. MFPMC works closely with its producer boards to ensure that a strategy ensures fair, effective, and increased inspections. Added new inspectors under the *Farm Products Marketing Act* and the *Dairy Act* allowing for increased inspection activity

Agri-Food and Agri-Product Development

Expected Results

- Farmers are able to access appeal processes that, if needed, improve the experience of using risk management programs.
- Manitoba has organizations designated to represent the major crops and livestock industries. These organizations effectively spend producer funds on valuable research projects and maintain low check off refund rates.
- Mediation services are provided to farm producers as an alternative to legal action by creditors.
- Manitoba farmland is protected from market speculation by foreign investors.
- Manitobans have warranty and repossession protection on farm machinery and equipment purchased or leased in Manitoba.
- Farm equipment dealers and vendors are licensed and monitored.
- Conflict resolution process is provided for farmers and their neighbors concerning farm production practices.

Actual Results

- Provided a fair appeal process with the Appeal Tribunal hearing and administered the rendering of decisions on 20 appeals regarding insurance and predation programs administered by MASC.
- Monitored commodity organizations through MFPMC supervision of 12 commodity organizations designated under *The Agricultural Producers' Organization Funding Act*. The MFPMC held meetings with two designated commodity associations with check-offs in excess of \$1.5 million to review their activities from the past year and upcoming year. Council received and reviewed annual reports from the remaining 10 designated commodity associations. The membership of the 12 designated

commodity organizations ranges from 32 to 7,500 members with refund rates varying from 1.4 to 8.7 percent. Total dollars collected from all designated commodity check-offs was \$6.5 million, resulting in a \$1.7 million dollar investment toward 70 research projects.

- Provided mediation services through the Manitoba Farm Industry Board, operating under *The Family Farm Protection Act*, with receipt of 29 applications; 18 were from creditors for leave to realize on farmland, and 11 were voluntary requests for review. The Manitoba Farm Industry Board's services were used in 55% of the applications.
- Protected Manitoba farm land with the Manitoba Farm Industry Board receiving 72 applications for Exemption under *The Farm Lands Ownership Act*. Of these, 65 exemption orders were approved, (including purchases for large value-added processors and increased livestock production and processing) four were denied; and three were withdrawn. 54 of the 72 applications were from conservation agencies; 38 were for registering conservation agreements and 16 for land purchases. The Manitoba Farm Industry Board made one finding of contravention under the Act where an applicant did not meet conditions required in the exemption order granted and ordered divestiture of approximately 350 acres of farmland.
- Provided warranty and repossession protection to Manitoba farmers by responding to 48 inquiries related to *The Farm Machinery and Equipment Act*. Four of these inquiries resulted in formal requests for the Manitoba Farm Industry Board to resolve a dispute. The Manitoba Farm Industry Board reviewed 48 applications for leave to repossess farm machinery. *The Farm Machinery and Equipment Act* fund that protects purchasers for amounts owed to them by dealers or vendors had a balance of \$550,363 as at December 31, 2016. There were no claims made to the fund in 2016.
- Licensed and monitored farm equipment dealers and vendors with the Manitoba Farm Industry Board issuing nine new dealer licenses and renewing 36 licenses. There were two new vendor licenses issued and another seven renewed.
- Provided conflict resolution services through the Manitoba Farm Industry Board under *The Farm Practices Protection Act*. The board received and investigated one new complaint which was dismissed as the Board ruled the operation was following normal farming practice. The Manitoba Farm Industry Board also investigated and enforced an existing order to ensure compliance.

Protection of Human, Animal and Plant Health

Expected Results

- A regulatory and enforcement framework that enables Agriculture to meet human, animal and plant health, and industry competitiveness objectives.
- The development of legislative policy, drafting instructions and facilitation of bills or regulations from start to completion.
- Appeal processes and procedures that are fair in listening to all parties involved and rendering effective judgments.
- Coordinate new regulations under *The Farm Products Marketing Act* and *Agricultural Producers Organization Funding Act*. Prairie Fruit Growers Association Designation Regulation, Amendments to Hog Marketing Plan, and Amendments to Wheat and Barley Growers.

Actual Results

- Improved plant health, reduced losses from noxious weeds, and assisted in minimizing the cost of weed control through proclaimed amendments to *The Noxious Weeds Act* and the corresponding regulations.
- Introduced amendments to *The Agricultural Producers' Organization Funding Act* following consultations with stakeholders and the public and amendments to *The Noxious Weeds Act* and *The Veterinary Services Act* were introduced as part of The Red Tape Reduction and Government Efficiency Act, 2017. Amendments to the Noxious Weeds Act were proclaimed on April 30, 2017, and corresponding regulations were passed.
- Continued to ensure effective hearing processes and improved access to boards. Reviewed processes on a regular basis and improved by ensuring the availability of toll-free numbers and the board's email address.
- Introduced regulatory changes this year that included four amendments to designated organizations under *The Agricultural Producer's Organization Funding Act*, and the designation of the Prairie Fruit Growers Association to represent strawberry producers in Manitoba. Changed the Wheat and Barley Growers Designation Regulation and the Winter Cereals Manitoba Designation Regulation to reflect that the Associations are responsible for collecting the Western Canadian Deduction that funds research which was previously funded through the Canadian Wheat Board. Made 20 regulatory amendments by marketing boards under *The Farm Products Marketing Act*. Made amendments to the Manitoba Pork Council's marketing plan. Updated the producer price of milk under *The Milk Prices Review Act*, wholesale and retail prices were unchanged this year.

2 (c) Boards, Commissions and Legislation

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2016/17	2016/17		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	896	10.00	797	99	
(2) Other Expenditures	219		289	(70)	
Total Sub-Appropriation	1,115	10.00	1,086	29	

Appropriation 2 (d) – Grain Innovation Hub (GIH)

Mandate

The GIH, managed by the Research and Market Intelligence Branch and the Crops Branch, develops and commercializes innovations in the strategically important grains sector. Programming occurs in grain production and utilization to accelerate innovation along the entire grain value chain. Grains include cereals, oilseeds and pulses.

Program, Activities and Expected Results

Primary Agriculture Industry Development

Expected Results

- Progress in understanding genetic resistance to Manitoba production challenges such as wheat midge, sclerotinia in canola, fusarium head blight in cereals and Goss's wilt in corn.
- Establishment of enhanced grain storage research facilities at Prairie Agricultural Machinery Institute (PAMI).
- Facilitate collaboration amongst Manitoba's leading industry stakeholders involved in grain productivity and marketing and research.
- Identification of research priorities that will contribute to competitive production in the global grain industry.

Actual Results

- Awarded \$1.56 million from the GF2 GIH to 11 projects in fiscal years 2015-17 to help understand grain crop production challenges related to agronomics, disease management and quality.
- Awarded \$44,400 to PAMI from GF2 GIH over fiscal years 2015-17 to develop a strategic plan for a Prairie Grain Storage Research and Development Initiative. The initiative will develop a system to investigate both fundamental and applied research on grain handling, storage, and conditioning ensuring sustainably for the long term benefit of all stakeholders.
- Awarded \$25,000 from GF2 GIH in 2015-17 to Cereals Canada to identify National Wheat Research priorities and develop a strategy that involves all members including producers and members of public and private sectors of the wheat value chain. Cereals Canada facilitated the formation of a Wheat Research Task Group that includes public and private researchers, public and private funders, exporters and market development agencies.
- Awarded \$400,000 over two years to the Manitoba Pulse and Soybean Growers to establish capacity to conduct applied pulse and soybean research at the University of Manitoba.

Agri-Food and Agri-Product Development

Expected Results

- Evidence supporting the application of dietary grains to prevent and treat chronic human and domestic animal diseases.

- Processing in the development and commercialization of products based on recognized health attributes of Manitoba crops such as oats, corn, sunflower, hemp and other grains.

Actual Results

- Characterized selected plant (buckwheat, pinto beans, canola, sunflower, Saskatoon berry) and animal based products (dairy) grown/raised in Manitoba for their role in research, product development and commercialization outcomes related to the management of pre-diabetes. Projects were executed by MAHRN with funding from GF2 Growing Innovation – CKD Program in the amount of \$396,000. Five projects were: genotype x environment x processing effects on health properties in cold pressed canola and sunflower oil, and meal and co-stream products; maximizing protein quality from a whole milled bean- buckwheat blend; impact of a Saskatoon berry-supplemented frozen yogurt product on blood glucose and insulin control; role of consumption patterns of crops and livestock identified as CCAD in immune function biomarkers; and evaluation of dairy based foods as a carrier for grain-derived bioactives. One global patent was allowed (granted), another patent application is underway; the canola oil project has been transferred to a grower-led consortium and two food based prototypes are in test marketing.
- Awarded \$945,300 funds to seven projects spanning a number of years through the Agri-Health and Research and Development Initiative. Progressed the development of confection sunflower variety development, hormone based genomic tools to accelerate wheat breeding for enhanced pre-harvest sprouting tolerance, optimization of hemp hurds for oil absorption and bioremediation, bio-catalytic reduction of chlorophyll pigments in hemp seed oil, and hemp product consumption using human trials. Project results will permit commercialization of new products, export markets and greater economic return to Manitoba grains value chain.

2 (d) Grain Innovation Hub

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2016/17	2016/17		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
Grant Assistance	2,613		3,000	(387)	
Total Sub-Appropriation	2,613	-	3,000	(387)	

Appropriation 2 (e) – Manitoba Biomass Energy Support Program (MBESP)

Mandate

This program provides support in the transition to the processing and use of biomass for heating in place of coal. The program will provide financial support for capital and/or infrastructure upgrades that are required to effectively manufacture or consume biomass fuel, including expansion of existing facilities or development of new capacity.

Program. Activities and Expected Results

Agri-Food and Agri-Product Development

Expected Result

- Increase in the number of users of biomass energy for space and water heating
- Advances in prepared biomass energy technology.

Actual Results

- Provided \$302,000 to seven projects aimed at replacing coal with renewable biomass fuel under the MBESP. An additional \$102,000 was provided to three biomass processors to increase the amount of processed biomass available in the market.
- Provided \$500,000 through MBESP to 12 recipients to conduct research and development projects investigating alternative biomass fuels, improve boiler performance and identify alternative biomass processing technologies and uses.

2 (e) Manitoba Biomass Energy Support Program

Expenditures by Sub-Appropriation	Actual 2016/17 \$(000s)	Estimate 2016/17 FTEs	Variance Over/(Under) \$(000s)	Expl. No.
Grant Assistance	904	1,000	(96)	
Total Sub-Appropriation	904	-	1,000	(96)

Appropriation 3 Risk Management, Credit and Income Support Programs

Manitoba Agricultural Services Corporation: Provides programs including direct loans and loan guarantees, agricultural insurance, wildlife damage compensation and emergency assistance.

Agricultural Income Stabilization: Provides Manitoba's share of assistance under stabilization programs intended to help farmers manage significant financial risks to their operations.

Farmland School Tax Rebate: Provides rebates of the school taxes charged on farmland.

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

Mandate

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

Program, Activities and Expected Results

Primary Agriculture Industry Development

Risk Management Programs for Farmers

Expected Results

- Insure \$2.45 billion of AgrilInsurance liability, covering 9.8 million acres and 8,500 farm operations
- Provide \$870 million of hail insurance liability, covering 4.7 million acres and 4,300 farm operations
- Pay \$4 million in wildlife damage compensation
- Provide AgrilInsurance premium rebates totaling \$15,000 under the Young Farmer Crop Plan Credit Program
- Insure \$60 million of liability under the Western Livestock Price Insurance Program, covering 47,000 animals for \$1.2 million in premium

Actual Results

- Provided AgrilInsurance coverage on 9.6 million acres for 8,400 farming operations with AgrilInsurance liability totaling \$2.45 billion.
- Provided Hail Insurance coverage on 4.7 million acres for 4,100 farming operations with Hail Insurance liability totaled \$887 million.
- Paid out \$7.2 million under Wildlife Damage Compensation.
- Provided AgrilInsurance premium rebates totaling \$14,000 through Young Farmer Crop Plan Credits.
- Provided Western Livestock Price Insurance Program coverage of \$40.5 million on 35,000 animals with premiums of \$1.02 million.

Agri-Food and Agri-Product Development

Affordable Credit to Farmers and Other Agricultural Enterprises

Expected Results

- Administer a total direct loan and loan guarantee portfolio that facilitates \$860 million of credit to 3,000 Manitoba farm operations and rural businesses.
- Provide \$125 million in new loans through MASC's Direct Loan program, including \$25 million for the purchase/retention of feeder cattle.
- Facilitate \$90 million in private sector loans to farmers, by providing \$22.5 million in loan guarantees, which includes: \$32 million in loans (facilitated by \$8 million in guarantees) to cattle producers through the Manitoba Livestock Associations Loan Guarantee program; \$18 million of loans (facilitated by \$4.5 million in guarantees) through the Diversification Loan Guarantee program; and \$40 million in operating loans (facilitated by \$10 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

- Provided direct loans and loan guarantees with a portfolio totaling \$945.8 million, covering 3,000 Manitoba farmers and rural businesses.
- Provided \$202.2 million in new direct loans, including \$35.6 million for the purchase/retention of feeder cattle.
- Facilitated \$84.0 million in new private sector loans to farmers, by providing \$21.0 million in loan guarantees, which includes: \$32.6 million in loans (facilitated by \$8.15 million in guarantees) to cattle producers through the Manitoba Livestock Associations Loan Guarantee program; \$16.2 million in loans (facilitated by \$4.05 million in guarantees) through the Diversification Loan Guarantee program; and \$35.2 million in operating loans (facilitated by \$8.8 million in guarantees) through the Operating Credit Guarantees for Agriculture program
- Provided \$1.7 million of interest benefits through Young Farmer Rebates.

Agri-Food and Agri-Product Development

Affordable Credit for Rural Small Businesses

Expected Results

- Facilitate \$5.0 million in new term loans to rural small businesses by providing \$4.0 million in guarantees through the Rural Entrepreneur Assistance (REA) program.
- Facilitate \$1.0 million in operating loans to rural small businesses by providing \$250,000 in loan guarantees through the Operating Credit Guarantees for Rural Small Business program.

Actual Results

- Facilitated \$4.0 million in new private sector term loans by providing \$3.2 million in loan guarantees through the Rural Entrepreneur Assistance (REA) program.
- Facilitated a further \$100,000 in private sector operating credit by providing \$25,000 in loan guarantees through the Operating Credit Guarantee for Rural Small Business program.

3 (a) Manitoba Agricultural Services Corporation

Expenditures by Sub-Appropriation	Actual 2016/17 \$(000s)	Estimate 2016/17 FTEs	Estimate 2016/17 \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
(1) Administration and Lending Costs	78	-	9,849	(9,771)	1
(2) Agrilnsurance	51,739	-	52,362	(623)	
(3) Wildlife Damage Compensation	3,706	-	2,080	1,626	2
Total Sub-Appropriation	55,523	-	64,291	(8,768)	

1. *The variance is mainly due to a net decrease in direct loan and loan guarantee provision requirements, an increase in net interest income due to higher loan volumes and a decrease in administration costs resulting from significantly lower than average Agrilnsurance claim volumes and lower than anticipated information technology redesign costs.*
2. *The increase is primarily due to higher claim activity in the big game and waterfowl components of the program caused by the higher than normal unharvested crops in the late fall of 2016.*

Appropriation 3 (b) – Agricultural Income Stabilization

Mandate

Agriculture income stabilization programs provide producers with assistance to manage financial difficulty arising from risks related to market disruption, natural disasters and production problems. There are two ongoing programs, AgriStability and AgriInvest, which the province provides 40% of the government contribution for Manitoba producers participating in the programs. In addition, AgriRecovery may be available to provide assistance for recovery actions following a disaster event.

These programs are developed with federal and provincial partners as part of the Business Risk Management (BRM) suite of programs intended to assist the industry to be resilient and competitive.

Program, Activities and Expected Results

Primary Agriculture Industry Development

Expected Results

- AgriStability and AgriInvest programs will be available to assist Manitoba producers stabilize their incomes by receiving government assistance when margins decline significantly and by establishing an account for managing risk events or investments.
- Producers will recognize Business Risk Management (BRM) programs as effective risk management tools for their farms. Most farms in Manitoba, representing at least 70 percent of all farm market revenues, will participate in AgriStability and AgriInvest.
- Farms will have improved income stability and be able to manage financial disasters. Through market returns and BRM programs, producers will attain at least 50 percent of the previous five-year net market income including program payments.
- The Federal Farm Income Program Directorate will receive the provincial share of BRM program funds so timely payments are made to Manitoba producers.
- An appropriate response to be provided to assist the industry with recovery in the event of a disaster situation.

Actual Results

- Provided AgriStability and AgriInvest program availability for Manitoba producers.
- Garnered participation in AgriStability and AgriInvest. The following table showing the participation rates in the 2014 program year in Manitoba, based on total farm market revenues:

Program Year	Total Farm Market Revenues (\$million)			Participation Rate	
	All Farm Tax Filers*	AgriStability Participants*	AgriInvest Participants*	AgriStability	AgriInvest
2014	\$6,269.5	\$3,816.0**	\$5,751.8	60.9%	91.7%

* Excludes farms with total revenues under \$10,000

** Includes participants who do not submit a complete application but were eligible to apply

Sources: Agriculture and Agri-Food Canada, Statistics Canada, internal calculations

(Note: 2014 is last program year in which full program statistics are available.)

- While most commercial farms in Manitoba participated, the participation has been on a downward trend particularly for AgriStability. The decline is similar in all provinces.
- Sustained total net farm income in Manitoba at a similar level to the previous five- year average. This was due to relatively stable production and commodity prices which resulted in lower than average BRM payments.

Total Net Farm Income – Manitoba (\$millions)

Realized Net Income before BRM Payments (2016 forecast)	Inventory Change	BRM Payments Triggered*	Total	2011 - 2015 Average	% of Average
460.6	100.9	176.9**	738.4	714.5	103.3%

* Forecasted receipts for the 2016 program year, regardless of the year received.

** Forecasted payments for AgriInvest (\$37.9), AgriStability (\$61.6), and AgriInsurance (\$77.4)

Sources: Statistics Canada, Agriculture and Agri-Food Canada, Manitoba Agricultural Services Corp.

- Provided funding to AAFC as invoiced.
- Provided access to AgriRecovery response. However, there were no disaster conditions that required an AgriRecovery response in 2016/17.

3 (b) Agricultural Income Stabilization

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2016/17	2016/17		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
Grants/Transfer Payments	32,986	-	35,001	(2,015)	1
Total Sub-Appropriation	32,986	-	35,001	(2,015)	

1. The variance is mainly due to a decrease in federally forecasted costs for the 2014 and 2015 AgriInvest programs as a result of lower than anticipated producers deposits.

Appropriation 3 (c) – Farmland School Tax Rebate

Mandate

Create greater net farm income and foster increased equity amongst rural land owners in support of local education costs.

Provide Effective Delivery of Farmland School Tax Rebates

Expected Results

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

Actual Results

- Increased net farm income with 2016 Farmland School Tax Rebated estimated to total \$39.9 million.
- Improved equitable distribution of school taxes paid by property owners by rebating 80% of school taxes on farmland.

3 (c) Farmland School Tax Rebate

Expenditures by Sub-Appropriation	Actual 2016/17 \$(000s)	Estimate 2016/17 FTEs	Variance Over/(Under) \$(000s)	Expl. No.	
Grants/Transfer Payments	40,367	-	36,039	4,328	1
Total Sub-Appropriation	40,367	-	36,039	4,328	

1. *The variance is mainly due to a 51% increase in land assessment values, which resulted in a 28% increase in school tax levies.*

Appropriation 3 (d) – Less: Recoverable from Rural Economic Development Initiatives (REDI)

Mandate

This sub-appropriation provides for the recovery of Rural Economic Development Initiatives related expenditures incurred by the Manitoba Agricultural Services Corporation.

3 (d) Less: Recoverable from Rural Economic Development Initiatives

Expenditures by Sub-Appropriation	Actual 2016/17 \$(000s)	Estimate 2016/17 FTEs	Variance Over/(Under) \$(000s)	Expl. No.
Recoveries	(597)	-	(602)	5
Total Sub-Appropriation	(597)	-	(602)	5

Appropriation 4

Agri-Industry Development and Advancement

The Agri-Industry Development and Advancement Division provides technical support, leadership, specialized services and information to enhance the development of Manitoba's agriculture, agri-food and agri-product sector. The division develops leading-edge, science-based programming in specialized areas of crop and livestock production, animal health, animal welfare, food safety, agro-ecosystem and environmental sustainability.

Appropriation 4 (a) – Livestock Industry

Mandate

The Livestock Industry Branch's mandate is to advance Manitoba's livestock industry by utilizing leadership capacity and technical expertise, lead production-related research, deliver innovative extension, and lead the livestock industry through a targeted livestock growth strategy.

Program, Activities and Expected Results

Primary Agriculture Industry Development

Expected Results

- Development of infrastructure and expertise that supports extension capabilities of MBFI.
- Pasture assessments that ensure sustainable grazing practices on provincial community pastures.
- Delivery of Manitoba Agriculture extension events that include a provincial event, a provincial tour and 15 fall/winter extension meetings.
- Delivery of holistic management events and field demonstrations for Manitoba producers.
- The planning and undertaking of demonstration research projects in the area of grazing and livestock management practices.
- Delivery of technical expertise, cost of production budgets, benchmarking and other tools that assist in the evaluation of opportunities in developing, established and specialty production areas.
- The development of service agreements for the delivery of GF2 programs by industry associations.

Actual Results

- Conducted seven trials at MBFI under the leadership of trial researchers from the U of M, U of W, BU, and AAFC. Led 15 demonstration and research projects. The on-site manager oversaw all construction projects, including a scale barn, storage structures and shops, winter watering systems and roads.
- Conducted pasture assessment visits on 11 community pastures as Range Implementation and Management Group (RIMG) members. The RIMG group advised the Association of Manitoba Community Pastures (AMCP) on management of community pastures.

- Organized over 20 extension events on beef herd management, animal health, nutrition, forage production, marketing and economics, attracting over 1,200 participants. Wrote 11 technical articles for Cattle Country and planned and delivered seven Stock Talk webinars. Supported the planning and delivery of the Prairie Livestock Expo and the Manitoba Swine Seminar with 1,400 attendees combined.
- Led four holistic management demonstration projects at MBFI, including polycropping (two projects); evaluating the benefits of short, intensive periods of managed grazing and investigating how grazing systems can add organic carbon to the soil and potentially reduce carbon emissions.
- Conducted 18 out of 22 projects on MBFI sites that focused on grazing and livestock management practices with project leads from research institutions, universities and the department. The West Interlake Forage Productivity demonstration plots profiled high forage yields on lower quality soils through proper soil nutrients, establishment techniques and harvest management. Supported a regional field survey of bison parasites and the University of Calgary study of sheep parasites.
- Conducted surveys and provided technical expertise to update the Cost of Production workbooks for alfalfa, silage, bison, dairy, swine (weanlings, farrowing, farrow-to-finishing, finishing, contract finishing), and beef (grassier, backgrounder, feedlot, cow/calf, bred heifer).
- Tested delivery and administration of GF2 programs in a pilot project with Manitoba Pork Council (MPC). MPC acted as the point of contact for swine producers and assisted in processing over 350 GF2 swine applications and claims. Manitoba Beef Producers (MBP) received \$60,000 for delivery of the Verified Beef Production (VBP) program and added a VBP welfare module. Dairy Farmers of Manitoba (DFM) continued piloting animal care and dairy premises assessments under its on-farm certification program.

Agri-Food and Agri-Product Development

Expected Results

- The establishment of a unifying organization to represent the small scale, local food and direct marketing sector in Manitoba. The development of a unifying strategy for the sector in Manitoba by the new organization.
- The publication of a series of fact sheets that clarify the regulatory environment for the direct sale of farm products. Dissemination of the information through extension events and other channels.

Actual Results

- Worked to support the efforts of the small scale, local food and direct farm marketing industry towards the establishment of the Direct Farm Marketing Association of Manitoba Co-op Inc. (also known as Direct Farm Manitoba (DFM)) with approximately 120 members.
- Worked with DFM and Manitoba Health to publish "Direct Marketing Your Food Product" on the regulatory requirements for direct marketing.

Protection of Human, Animal and Plant Health

Expected Result

- Surveillance of Porcine Epidemic Diarrhea virus (PEDv) at high traffic and high risk locations. Surveillance results are used to support assessment of biosecurity measures and contain potential outbreaks.
- Delivery of technical support for the development and co-ordination of the government and industry response to emerging animal health, weather and trade challenges.
- Development of 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.
- Updated regulations for the composition standards for milk products produced in Manitoba.
- Response to animal care and odour complaints and providing guidance to producers in meeting the standards under *The Animal Care Act* and *The Farm Protection Act*.
- Assistance to Dairy Farmers of Manitoba (DFM) in servicing on-farm milk quality services for industry to meet food safety and quality standards for antibiotic use and bacteria counts.
- The administration of grants to 27 Veterinary Services District clinics and the administration of veterinary student scholarship and Student Temporary Employment Program (STEP) placement programs.
- Licensing and bonding of livestock dealers and investigation of complaints of dealer defaults.
- Reduction of risk of the spread of bTB from wild elk and deer to domestic livestock through the allocation of funding for the construction of barrier fences around livestock feeding areas in the RMEA.
- Maintenance of the brand registry and promotion of manifests, traceability and premise identification to support the movement of livestock across provincial and international borders.
- New GF2 catalogue items are introduced in consultation with industry. Industry-led projects are developed and funded. Applications for catalogue items are reviewed and recommended for approval.

Actual Results

- Developed a surveillance project in cooperation with MPC to monitor and test high traffic sites such as slaughter plants and assembly yards for PEDv. Developed an audit of biosecurity practices in these high traffic areas.
- Participated on the National Livestock Market Interruption Strategy Steering Committee. Held a series of Animal Health Emergency Management Workshops in collaboration with the Canadian Food Inspection Agency (CFIA), AAFC and the Canadian Animal Health Coalition (CAHC), three producer associations and independent producers. Held Biosecurity training seminars for all provincial livestock employees to increase appropriate use of antibiotics.
- Supported DFM's implementation of an enhanced inspection program for premises standards and piloting of the national proAction animal care module. Milk quality was further supported by GF2 funding to Horizon Labs for the purchase of equipment that increased its capabilities to test for drug residues in milk.

- Reviewed the compositional standards for fluid dairy products to address the evolving market for dairy products. Identified potential changes for further discussion with the dairy sector.
- Provided advice to producers who may be at risk for animal care or farm practice complaints. Provided technical expertise to regulators and participated in three animal welfare investigations.
- Provided technical assistance to over 20 Manitoba dairy producers to troubleshoot milk quality, taste and antibiotic issues. This assistance supported the DFM policy to meet the EU standard for somatic cell counts, improving milk shelf-life and increasing market access.
- Provided provincial grants of \$494,000 to 27 Veterinary Service Districts (VSD); Provided the Large Animal Veterinary Retention Program ten scholarships totaling \$50,000 to Manitoba students. Awarded eight Veterinary Sciences Scholarships worth \$1,100 each. Provided experience and employment to 12 students in the Veterinary Student Temporary Employment Program.
- Administered the livestock dealer/agent licensing program with over 140 licensed dealers and agents. There were no dealer defaults and no complaints requiring investigation.
- Supported activities to reduce the risk of bTB in the Riding Mountain Eradication Area (RMEA):
- Evaluated the use of 3-D fencing as an economic alternative to traditional barrier fences at two locations.
- Undertook several risk prevention projects in cooperation with MBP and local producers.
- Participated in the bovine TB Task Force Committee.
- Administered a service agreement with MBP to pay \$7/head (\$6 from MB Ag and \$1 from MBP) to cattle producers in the RMEA to support participation in live animal testing and surveillance at slaughter for bTB.
- Developed two new grant programs for RMEA producers. (On farm risk assessment furthered improvement in slaughter surveillance by encouraging producers to link the Premises ID location of their farm to the national traceability database.
- Maintained the Brand Registry for cattle and horses under *The Livestock and Livestock Products Act*. Currently, there are over 2,300 active registered brands. Printed and distributed livestock manifests.
- Expanded the GF2 - Growing Assurance catalogue for livestock producers to include welfare items for dairy, sheep, goat, and bison producers in support of the national Codes of Practice. With assistance of GF2 funding, DFM continued piloting animal care assessments by private veterinarians on Manitoba dairy farms. Added new animal welfare items to the GF2 livestock catalogue to support implementation of these beneficial practices. Provided, through GF2, funding for the National Loose Sow Housing project to provide producers with information regarding options for loose sow housing.

4 (a) Livestock Industry

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2016/17	2016/17		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	2,828	36.00	2,932	(104)	
(2) Other Expenditures	462		597	(135)	
(3) Grant Assistance	494		495	(1)	
Total Sub-Appropriation	3,784	36.00	4,024	(240)	

Appropriation 4 (b) – Chief Veterinary Office/Food Safety

Mandate

The Chief Veterinary Office (CVO)/Food Safety Branch provides leadership, regulatory oversight and technical expertise on animal health, animal welfare and food safety issues and represents Manitoba in regional, area and national discussions related to animal health, welfare and food safety. This office provides the regulatory and enforcement framework to protect human, animal and plant health and ensure responsible animal care.

The CVO/FS Branch protects the health of the public from diseases that can pass directly or indirectly from animals to people (zoonotic), and detects, evaluates, and responds to existing and emerging animal diseases that can directly threaten human and animal health as well as the Manitoba economy.

Additionally, the CVO/FS Branch contributes to the safety of the Manitoba food supply to safeguard the health of Manitobans and ensure confidence in Manitoba's food system through inspection and a regulatory and enforcement framework. Operational policy and regulatory modernization will ensure effective and consistent regulatory oversight and clearly defined expectations for stakeholders.

The CVO/FS Branch is committed to the protection of trade in agricultural products through health certification and assurance programs. This will promote agricultural and agri-food/product industry competitiveness and the economic viability of Manitoba producers and processors.

The Provincial Veterinary Diagnostic Laboratory further enhances animal health in Manitoba by providing accurate, timely and affordable veterinary diagnostic services. The development of critical information management tools and systems will allow for rapid detection and response to animal health issues.

Programs, Activities and Expected Results

Protection of Human, Animal and Plant Health

Expected Results

Animal and Veterinary Public Health

- Improved efficiency and quality of programming that involves collaboration with multiple government departments such as zoonotic infectious disease, toxic hazards, antimicrobial resistance, and anti-hoarding efforts that involve agricultural, veterinary and public health components.
- Improved joint surveillance efforts leading to more sensitive methods of detection of threats and ensuring effective response to these threats are developed.
- Completion of procedure and planning documents to address animal health programming under the One Health approach.
- Host inaugural International One Welfare Conference focused on the human element of animal welfare issues such as mental health and the aging farmer

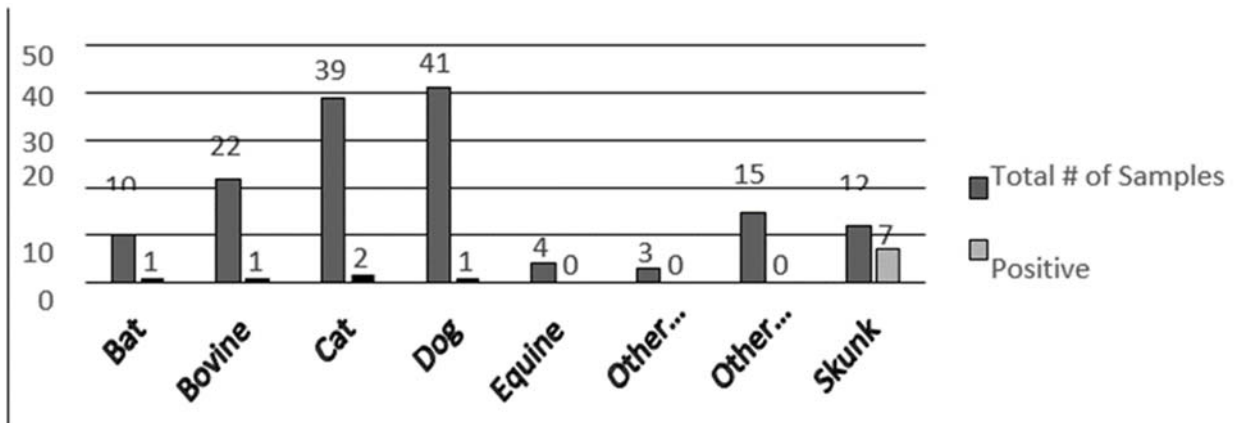
population.

- Completion of regulatory amendments to the regulations supporting the *Animal Diseases Act*.
- Reports and responses to significant animal health events are provided following disease investigation protocols and procedures.
- Generate surveillance reports through consultation with veterinary practitioners, from animal health laboratory information and from abattoir condemnation reports.
- Health certification will be provided based on validated diagnostic reports and on site assessments.
- Negative impacts of animal health events prevented or reduced.
- Increased capability to prevent, mitigate, prepare and respond to animal health and food safety emergencies in a timely manner.
- Successful enforcement and prosecutions based on inspection and investigation, specialized forensic pathology services and expert testimony as required to support *The Animal Care Act*.
- Enhancement of information sharing network used for federal and provincial emergency preparedness and management purposes that meets Manitoba's needs.
- A formalized plan to provide more effective and coordinated animal health diagnostic services in Western Canada.
- Identification and implementation of improvements to support evolving client needs and the provincial livestock industry, and enhance client services, while reducing inefficiencies.

Actual Results

- Enhanced cross-departmental relationships and communication on shared responsibility issues, resulting in improved joint responses to incidents e.g. zoonotic disease programs such as Salmonella, Rabies, Anthrax, and Anaplasmosis; assessment of anti-hoarding programs.
- Improved joint surveillance efforts:
 - Worked with provincial and federal counterparts on joint surveillance efforts for zoonotic diseases, such as the provincial Salmonella enteritidis Surveillance project and the National Zoonotic and Emerging Disease Surveillance Network project. Efforts to develop recommendations for national surveillance of agricultural antimicrobial use and resistance are ongoing.
 - Involved in national initiatives on Antimicrobial Use and Resistance (AMU/AMR). Participated in an AMU and AMR working group to provide recommendations to The Canadian Council of Veterinary Officers (CCVO) on regulatory and non-regulatory approaches to surveillance and controlled use. Continued work to ensure that programs are aligned across provinces.
 - Continued to build understanding of risks associated with Seneca Valley Virus (SVV); an emerging disease that is not reportable but is increasingly common in the U.S. swine herd; and assist with surveillance to mitigate any negative implications on the Manitoba swine industry. Involved with three cases of SVV identified at U.S. abattoirs from Manitoba sources in 2016.
- One Health approach:
 - Conducted an assessment of government and community-based anti-hoarding programs, as a member of the Hoarding and Related Disorders

- working group. Began development of consistent guidelines for a coordinated and effective interdepartmental response to hoarding and related disorders.
- o Enabled, through the One Health Steering Committee (OHSC), collaborative approaches to complex inter-jurisdictional issues on a variety of important issues pertaining to human and animal health and welfare. Joint disease control initiatives are underway for Anaplasmosis, Anthrax and Chronic Wasting Disease (CWD).
- o Developed one of the most efficient provincial rabies programs. Conducted risk assessments, through the Rabies Working Group, for all reported suspect rabies exposures. Collected 158 samples for rabies testing with 12 positive samples requiring post-exposure management. Developed training for staff at veterinary clinics to improve response capacity.

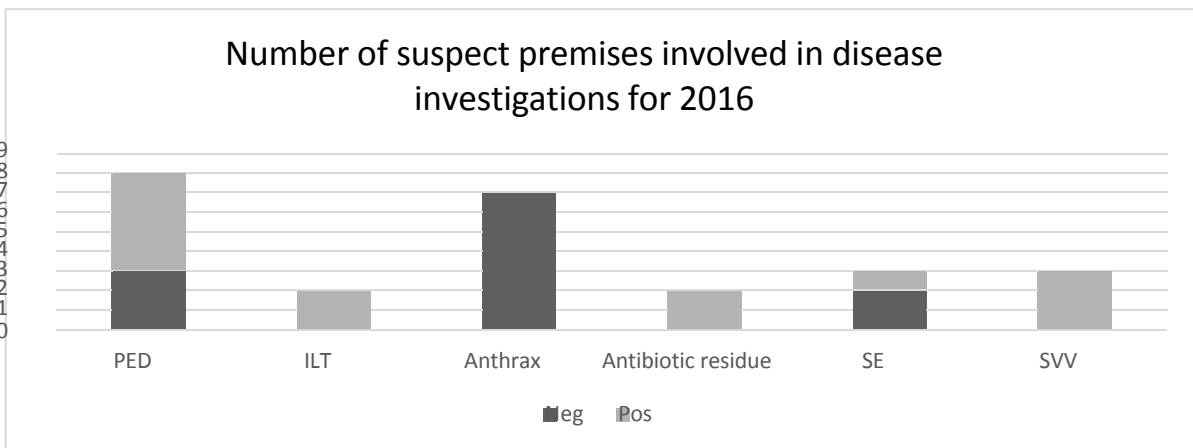


Total samples tested for rabies virus and positive results by species from April 1, 2016 to March 31, 2017.

- Updated procedural and planning documents for disease investigation and surveillance PED, Anaplasmosis, and Anthrax. Updates underway for CWD.
- Co-chaired the inaugural International One Welfare Conference in Winnipeg in September 2016, with over 160 participants.
- Drafting is on hold for regulatory amendment to *The Animal Diseases Act*. Biosecurity, Quarantine, Reportable hazards and Zoning.
- Provided a rapid response to significant reportable and emerging diseases in animal populations under the Animal Disease Investigation Program. Conducted 19 disease investigations on 25 premises, with follow up to an additional 229 at risk premises. Worked closely with MPC to plan and respond effectively to significant swine disease such as PED. Continued to address PED risks associated with high traffic sites such as assembly yards and with manure from previously positive herds.
- Seneca Valley Virus (SVV) is an emerging swine disease. Since 2015, five cases of cull animals from MB have been identified as having SVV at US abattoirs.
- Conducted voluntary investigations with affected assembly yards and source herds. To date, actions have confirmed a small number of source herds (4) are negative for SVV, while several large assembly yards are SVV positive based on environmental testing.
- Investigated reportable diseases in poultry flocks specifically Infectious laryngotracheitis (ILT) and Salmonella Enteritidis (SE). Commercial poultry in

Manitoba remain free of ILT, while the disease is reported in 1-2 small farm flocks per year. Worked with small flock owners to control or eliminate the virus and decrease risks to other flocks. SE continues to be a significant issue as a human health risk from contact with live birds from small farm flocks, for food safety in commercial egg production and for hatchery supply flocks that trade into other jurisdictions. Conducted a joint investigation with Manitoba Egg Farmers into one commercial layer flock that tested positive for SE in 2016. Eggs from the flock were diverted from human consumption and the flock was depopulated, following the requirements of a national industry led insurance program.

- Conducted disease investigations for anthrax, antimicrobial residues and lead toxicosis in the beef and dairy sector. Investigated 19 suspect cases of Anthrax in beef herds in Manitoba since 2014. All were confirmed negative. Conducted investigations into two dairy herds with herd wide antimicrobial residues from unknown sources. As in previous cases, feed contamination was determined to be the cause. No cases of lead toxicosis in beef herds were reported in 2016.



- Expanded animal health surveillance to include a web based surveillance report from abattoir condemnation data and a quarterly report from diagnostic laboratory data. Participated in the Canada West Swine Health Intelligence Network, which collates reports about significant swine disease. Participated in the Western Canadian Animal Health Surveillance group that collates and analyzes data from all western Canadian Animal health laboratories. Partnered in the Canadian Animal Health Surveillance System, a coalition of industry partners and government agencies committed to expanding and integrating animal health surveillance.
- Provided assurance that 54 Manitoba supply flocks have met specific flock health criteria that is equivalent to the U.S. National Poultry Improvement Plan through the Manitoba's Hatchery Supply Flock certification program. Certified the Avian Influenza status of 28 turkey flocks through the Turkey Grower's Export Enhancement program, allowing access for U.S. slaughter.
- Managed 15,942 cases in the Veterinary Diagnostic Services (VDS) laboratory resulting in 126,916 tests of which 113,698 were designated for production animals. Performed a number of tests specifically to support food safety such as conducting 4,166 salmonella screening tests. Continued to provide technical expertise and testing capabilities to support the provincial meat inspection program.
- Created two new standard operating procedures. Developed one new Porcine

- Coronavirus Panel (PCR) test and two new PCR panels.
- Supported The Animal Care Act with diagnostic testing, specialized forensic pathology services and expert testimony for 120 cases.
- Maintained membership of VDS in the Canadian Animal Health Surveillance Network, 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.
- Finalized the Canada West report, as a member of the Canada West Steering Committee, which made recommendations for the Western Canadian animal health laboratories to increase collaboration, efficiencies and cost saving. Co-chair the Canada West Management Committee that was established as a result.
- Collected client feedback while attending veterinary conference, produced a client informational newsletter, and presented to industry groups, vets, and students. Hosted two continuing education sessions.
- Published by Hodge, J.; Connecting Homeless and Marginally Housed Populations to Health Care Services through Their Pets: A One Health Approach. Harm Reduction International Conference. Montreal, Quebec, Canada, May 14 – 17, 2017. Presented as part of a four-person 90-minute panel on “welcoming spaces”.

Animal Welfare

Expected Results

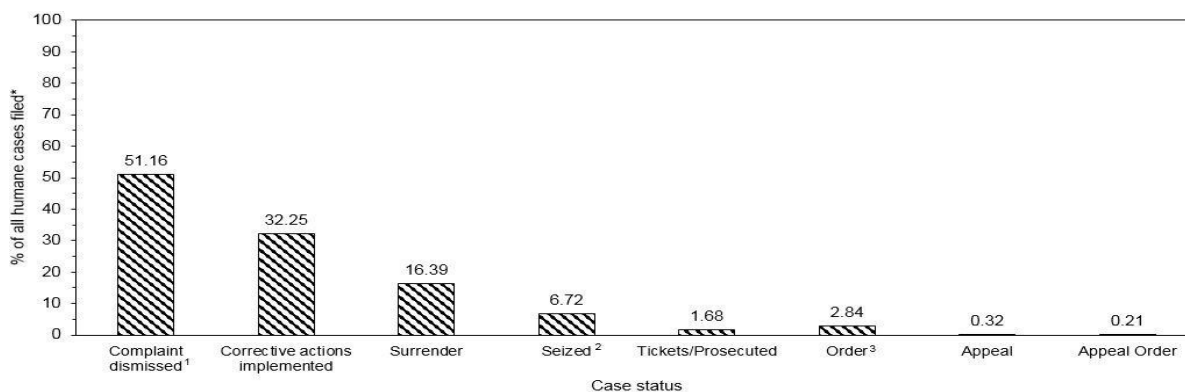
- Increased volume, seriousness, and complexity of animal welfare cases addressed by Animal Protection Officers (APOs) including seizures, surrenders, and investigations and prosecutions under *The Animal Care Act* and animal cruelty provisions of the Criminal Code.
- Monitoring and implementation of corrective action for non-compliance under The Animal Care Act identified by complaint at companion animal breeding premise, kennels, companion animal retail stores, and through inspection at commercial animal assembly stations, and commercial animal markets resulting in avoidance of animal injury and suffering.

Actual Results

- Inspected 952 animal welfare cases in 2016. Animal welfare cases have increased by up to 25% per annum for the past four years. The seriousness and complexity of cases is on the rise, including issues involving hoarding, domestic violence, elder squalor, criminal activity and significant human mental/physical health.
- Inspected and took corrective action as required on animal welfare complaints related to companion animal breeding premises and retail stores; although the related licensing program is currently suspended. Proposed repealing the licensing requirements under *The Animal Care Act* and Regulations and developing and implementing an educational certification program for kennels, companion animal breeders, and companion animal retail operations to ensure these facilities are informed of the requirements under *The Animal Care Act*. Public education related to certification and how to recognize and report animal welfare issues at non reputable operations will further enhance the existing complaint based system.
- Developed an Auction Mart Inspection Program but has not yet been implemented.

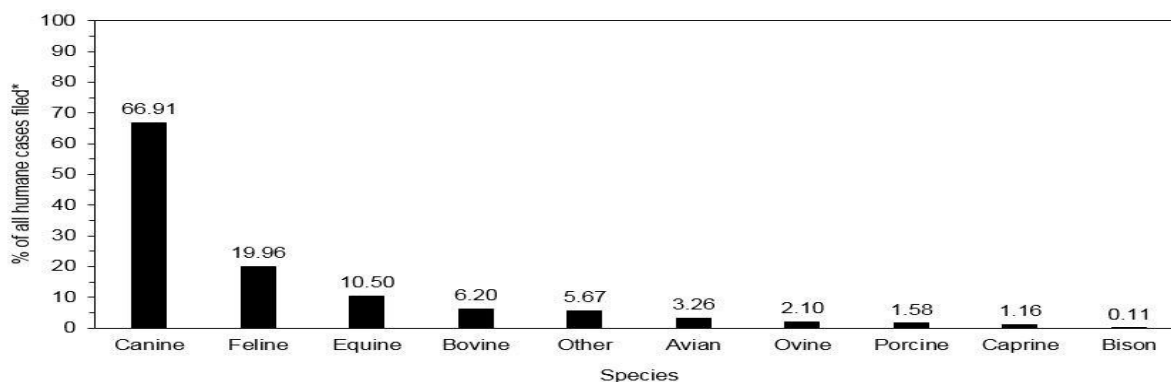
- Published by Whiting TL; Pain in human and non-human animals caused by electricity. Can Vet J. 2016;57(8):883-886.

Animal welfare case (952) statuses as a percentage of total animal welfare cases filed from January to December 2016



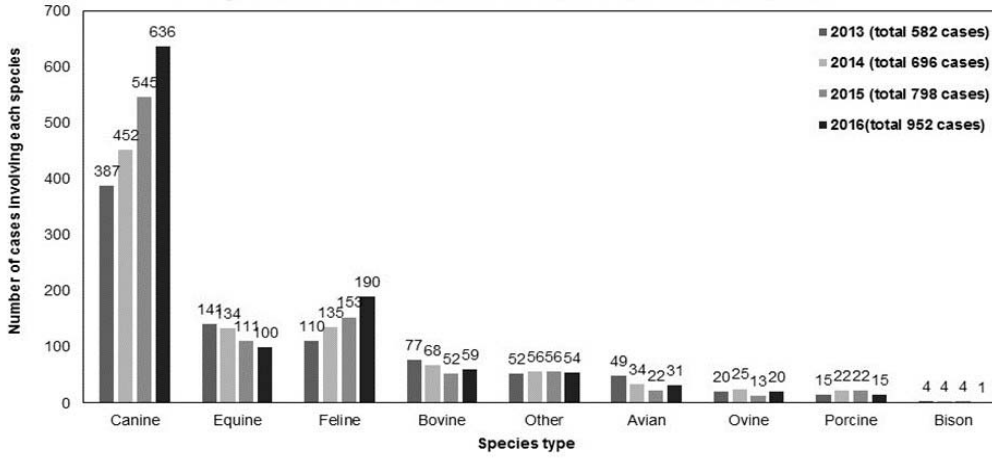
(*Percentage of all animal welfare cases filed will not total 100 percent as multiple statuses may be associated with each case in the event of escalating enforcement; ¹Complaint was dismissed as owner was compliant and the complaint was unjustified; ²Animals were seized due to distress, abandonment or non-compliance with Order; ³Orders issued may be in the form of a Justice's, Director's or Prohibition Order).

Species as a percentage of total animal welfare cases filed from January to December 2016



(*Percentage of all animal welfare cases filed will not total 100 percent as multiple species may be associated with each case.)

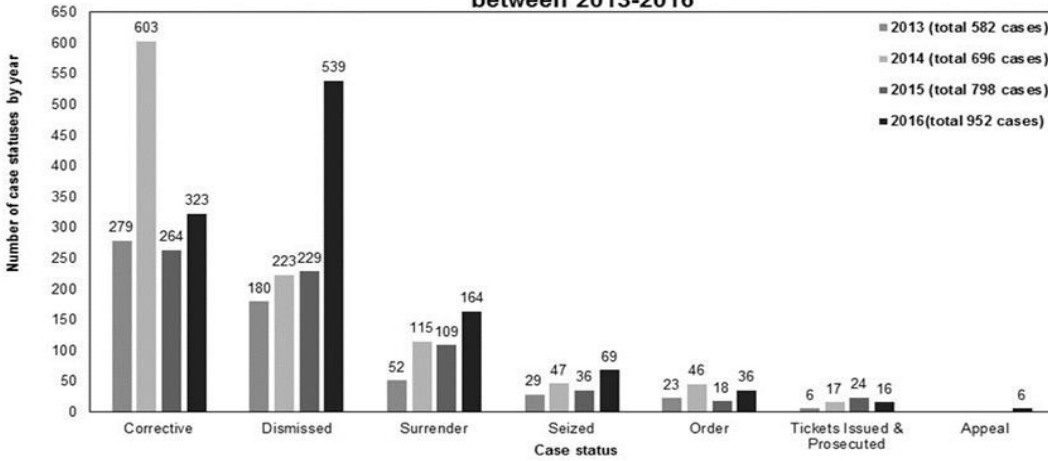
Number of cases with each species following an inspection for compliance under *The Animal Care Act* between 2013-2016



% change in number of cases for each species between years

	Canine	Equine	Feline	Bovine	Other	Avian	Ovine	Porcine	Bison
2013	-	-	-	-	-	-	-	-	-
2014	16.80	-4.96	22.73	-11.69	7.69	-30.61	25.00	46.67	0.00
2015	20.58	-17.16	13.33	-23.53	0.00	-35.29	-48.00	0.00	0.00
2016	16.70	-9.91	24.18	13.46	-3.57	40.91	53.85	-31.82	-75.00

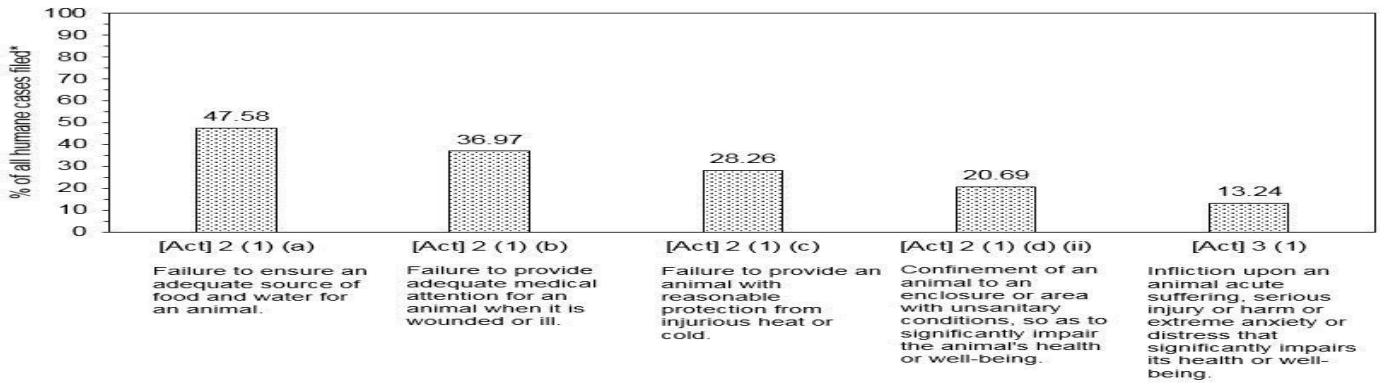
Results of inspection for compliance under *The Animal Care Act* between 2013-2016



% change in number of cases for each status between years

	Corrective	Dismissed	Surrender	Seized	Order	Tickets Issued & Prosecuted	Appeal
2013	-	-	-	-	-	-	-
2014	116.1	23.9	121.2	62.1	100.0	183.3	-
2015	-56.22	2.69	-5.22	-23.40	-60.87	41.18	-
2016	18.18	119.65	47.71	80.56	77.78	-29.17	-

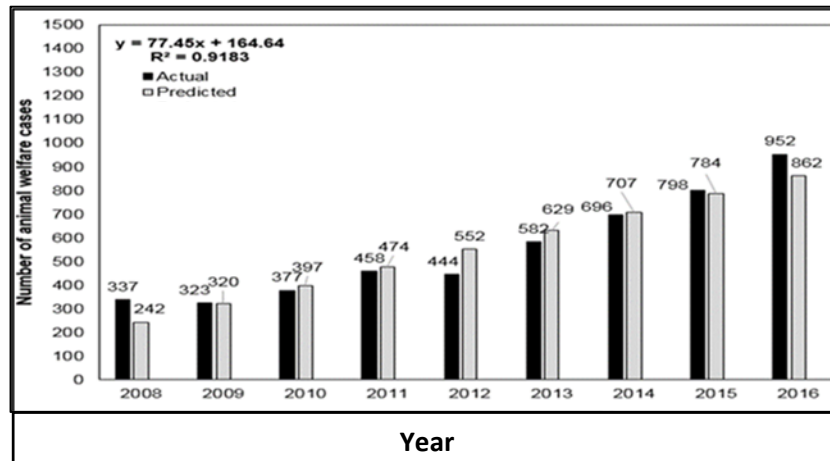
Violations, as outlined in *The Animal Care Act*, as a percentage of total animal welfare cases filed from January to December 2016



Section of *The Animal Care Act*

(*Percentage of all animal welfare cases filed will not total 100 percent, as multiple violations may be associated with each case.)

Number of animal welfare cases reported from the AW Program 2008-2016



Total animal welfare cases requiring enforcement action from January to December 2016.

Enforcement action	Number of cases
Order – Director	32
Order – Prohibition	4
CON issued	16

Premises Identification (PID) and Traceability

Expected Results

- Increased participation in the Manitoba Premises Identification Program.
- Increased participation in traceability systems to minimize the impact of an animal health or food safety incident and maintain or increase market access.
- Early warning and emergency response systems are continuously improved.

Actual Results

- Identified 172 new premises. Maintained records as per Table 1. Manitoba has a total of 6,241 different premises identified (Table 2). 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.

Table 1. Total number of premises entered or updated within the Premises Identification database from 2015/2016 to end of fiscal 2016/2017.

Total Premises Identification Statistics ¹				
	New	Updated ^{2,3}	Retired	Total
2015/2016	265	NA	NA	278
2016/2017	437	278	121	399

¹ Statistics are based on all premises entered into the PID database. This includes all premises types, such as farms, vet clinics, Manitoba Agriculture inspected food processing facilities, fairs/exhibitions, etc.

² Updated premises includes those premises that were not newly added to the database in that given year. This stat does not reflect if a new premises was updated in the same year.

³ The number of updated premises per month is subject to change throughout the year, does not reflect if a premises has been updated multiple times throughout a year, and the number may differ between reports (ex: if a premises is updated in March and then again in September, the number will only reflect the update in September). Status of the update date is current as of July 14, 2017).

Table 2. Manitoba Premises Identification Program statistics on the number of premises validated and number of premises left to be validated in Manitoba as of end of fiscal 2016-2017.

Premises Type	Premises validated	Estimate of number of premises ¹	% of premises completed ²	Number of premises left to be validated
All Premises ³	6,241	NA	NA	NA
Total Premises (Farm/Feedlot/Hatchery type)	5,159	NA	NA	NA
Farm Types				
Cattle	3,527	6,499	54	2,972
Hogs ⁴	988	665	149	0
Bison	66	86	77	20
Sheep	381	522	73	141
Goats	149	310	48	161
Equine	848	2,335	36	1,487
Birds ⁵	848	1,569	54	721
Supply Managed Farm Types⁶				
Dairy Cattle	345	399	86	0
Poultry (Layers)	504	152	332	0
Poultry (Broiler)	460	115	400	0
Poultry (Turkey)	140	67	209	0
Poultry (Hatching Egg)	46	24	192	0

Premises Type	Premises validated	Estimate of number of premises ¹	% of premises completed ²	Number of premises left to be validated
Commingling/ Intermediate Sites				
Veterinary Clinics ⁷	64	53	121	0
Auctions	8	8	100	0
Assembly Yards	1	10	130	0
Abattoirs	3	32	116	0
Dead Stock Operator	1	1	100	0
Fairs/Exhibitions	5	59	100	0
Rendering Facility	1	1	100	0

¹ All estimates of the number of premises are based on 2016 Statistics Canada census of Agriculture information. These values were used as they were the only way to compare PID's remaining across all provinces and territories in Canada.

² The percentage of premises completed may exceed 100% as there were more of each premises identified in Manitoba than declared in the 2016 Statistics Canada census of Agriculture survey.

³ Includes all validated premises types in addition to farms, feedlot and hatchery premises types. This category also includes food-processing facilities, egg graders, honey processing facilities, livestock transport truck washes, licensed animal disposal sites and wildlife rehabilitation centres.

⁴ All commercial hog operations in Manitoba are 100% identified with a premises identification number. This value exceeds 100% because it includes both commercial and backyard premises.

⁵ Bird premises types are based on the 2011 Statistics Canada values of total farms reporting birds.

⁶ All supply-managed farm types in Manitoba are 100% identified with a premises identification number. In most cases, these values exceed 100% because they include both supply-managed and backyard premises.

⁷ All estimates of the number of veterinary clinics based on 2016 Statistics Canada census of Agriculture data also includes small animal practices. The numbers of veterinary clinics reported in Manitoba with a validated premises identification number are practices that only treat or consult with livestock or poultry.

- Used PID information in the 13 incidents of disease investigations and animal emergencies. Since implementation in 2010, PID information has been utilized in over 83 incidents.
- Participated in the Federal-Provincial-Territorial 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.

Food Safety

Expected Results

- Delivery of meat inspection services to ensure business continuity, the safety of meat products and welfare of animals.
- Enforcement of food safety legislation.
- Delivery of an integrated and consistent risk-based food safety inspection system based on established procedures and policies.
- Increased adoption of preventative food safety programs by industry.

Actual Results

- Implemented a provincial meat inspection program for the 26 provincially licensed abattoirs; providing uninterrupted meat inspection service to plants while ensuring food safety standards are met and animal welfare best practices are followed.
- Provided provincial meat inspections services to the 26 abattoirs for approximately 2350 combined inspection days.

Numbers and Species of Animals Processed in Provincial Abattoirs in 2016			
Species		Annual Total	
Chicken		120,594	
Swine		98,187	
Spent Chicken Hens		37,465	
Cattle		6,361	
Mature Turkey		1,814	
Lambs		1,649	
Turkey		1,141	
Rabbits		720	
Ducks		707	
Goats		282	
Bison		262	
Geese		206	
Sheep		52	
Elk		49	
Llama/Alpaca		11	
Wild Boars		7	
Calves		5	
Horses		1	
Grand Total		269,513	
Condemnation Rates in Provincial Abattoirs in 2016			
Species	Number of animals		% Condemned
	Slaughtered	Condemned	
Swine	98,187	2,544	2.59
Chicken	120,594	742	0.62
Cattle	6,366	83	1.3
Total	225,147	3,369	1.5

- Completed 751 inspections of provincially permitted processing/distribution plants under a risk-based inspection model under the food processing plant inspection program.
- Directed 81% of routine inspections of food processing plants to plants in the high risk category. Plants in this category include meat processing, dairy plants and other potentially hazardous activities. According to the risk-based inspection policy, high risk facilities require up to 3 routine inspections per year.
- Developed eight technical policy documents to guide inspector's assessment of risk associated with unique products (kombucha, cricket powder, etc.)
- Approved six requests for assistance to develop food safety programs under GF2 programming. This represented a commitment of \$80,000 to the food industry.

- Conducted 24 food safety training sessions from basic food safety training to specialized training for approximately 440 industry participants to increase awareness and facilitate effective adoption of preventative food safety programs.

4 (b) Chief Veterinary Office/Food Safety

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2016/17	2016/17		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	7,078	84.00	7,236	(158)	
(2) Other Expenditures	3,023		3,347	(324)	
(3) Grant Assistance	11		11	-	
Total Sub-Appropriation	10,112	84.00	10,594	(482)	

Appropriation 4 (c) – Crop Industry

Mandate

The Crops Industry Branch provides critical intelligence and recommendations on a range of issues pertaining to efficient production, processing and marketing of crops suited for production in Manitoba. The branch provides leadership and advice on crop issues and represents Manitoba in regional and national discussions.

The branch advances Manitoba's crop industry by utilizing leadership capacity and technical expertise to develop and deliver innovative extension and business development programs. Staff work with the crop industry to increase farm production profitability and sustainability, and contribute to development and maintenance of value added processing.

The Crops Industry Branch plays a key leadership role in identifying and supporting provincial strategies that enhance development in two areas of agriculture and rural development: crops and apiculture. The branch also collaborates within the department and with other departments and agencies in developing initiatives that improve net income and the development of related industries in rural Manitoba.

Program, Activities and Expected Results

Primary Agriculture Industry Development

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.
- Variability in crop quality and quantity reduced, allowing production of consistent high quality primary products for local processing activities.
- Collaboration and support provided for initiatives developing Manitoba's Grain Innovation Hub.
- Opportunities developed in "new" crops/varieties, processing, and value-added products. Expanded local industry through increased consumption of local products, either in raw or processed form. Commercialization of new value added projects adding to the Manitoba economy and creating jobs.
- A crop/variety database identifying beneficial/health components developed.
- Development of plans (strategic/research) that move the associations toward sustainability and increased sector profitability. Partnerships developed to facilitate increased surveillance, diagnostic capability and disease/pest risk forecasting.
- Technical reviews of proposals to funding sources completed. Projects promoted to increase profitability of the commodity.
- Crop industry accessing GF2 programming.
- Producer adoption of new/improved production practices for field, medicinal, industrial, horticultural and forage crops, including weed, insect and disease control, crop nutrition, and soil and water management.

- Unbiased production information for producers and MASC considering climate variability.
- Increased producer productivity and profitability (commodity prices determined by external factors) by providing timely production information through improved information dissemination using current technology.
- New extension tools developed and supported. Mitigation tools developed/refined.
- Effective provincial programs and initiatives developed in the crop sector. Increased productivity and farm profitability by providing risk mitigation information and recommendations to producers and agribusinesses.
- Decreased producer production risk through completion of variety trials. Publishing of Seed Manitoba with other partners. New crop types/varieties established in Manitoba.
- Increased income stability through working with MASC to develop new programs that incorporate new crops/varieties being introduced in Manitoba.
- Increased potential for improved productivity and reduction of greenhouse gas emission.

Actual Results

- Approved 20 GF2 Food Safety on Farm biosecurity projects for over \$23,300. There were 16 projects in apiculture, and four in horticulture and grains/oilseeds.
- Published 2017 Guide to Field Crop Protection to assist in reducing yield losses from pests and Seed Manitoba 2017 to encourage selection of appropriate varieties for adaptation to regions for increased production and quality.
- Provided technical leadership and advice to crop or commodity associations and industry for projects to advance the crops sector. Project areas included improved analysis tools to better understand yield and seed type in confection sunflowers, molecular laboratory tools to determine different isolates of blackleg in canola and specialized field equipment to plant grain corn for research and agronomic demonstration purposes.
- Acted as technical lead in attracting a \$400 million pea protein processing facility to the province.
- Collaborated with commodity associations and Manitoba Agri-Health Research Network (MAHRN) to evaluate mineral composition differences of cold-pressed canola and sunflowers oils from different Manitoba regions.
- Provided technical leadership for the collaboration of multiple crop commodity associations exploring strategies to increase producer value within their associations and throughout the crop sector. Co-ordinated, conducted and summarized provincial crop related surveys in collaboration with commodity groups and industry. Monitored the following pests in the crop production season including diamondback moth (78 sites), bertha armyworm (84 sites), grasshoppers (108 sites), fusarium head blight in wheat (85 sites), blackleg/sclerotinia/clubroot in canola (50 sites), Goss's wilt in grain corn (60 sites), foliar/root rot in soybean (55 sites) and general weed survey (660 sites).
- Collaborated with Manitoba Wheat and Barley Growers Association (MWBGA) and Manitoba Corn Growers Association to conduct on-farm testing and extend information at meetings about application of nitrogen source and timing to increase protein in high yielding wheat (1400 producers) and increasing corn yield (365 producers). Served as technical lead in conducting the Manitoba general weed

survey with collaboration of multiple commodity groups, communicated information on weed species shifts and incidence at meetings and through commodity association newsletter to 19,000 producers.

- Provided technical advice on GF2 project proposals. Projects included three Manitoba Pulse and Soybean Growers (MPSG) initiatives for \$63,000; two MWBGA projects for \$10,500; one National Sunflower Association of Canada project for \$4,000; and one collaborative crop commodity association project for \$25,000.
- Trained 557 producers, consultants and staff, representing nearly all arable acres in Manitoba, through the Crop Diagnostic School. Trained 97 participants through the Horticulture School, training 426 participating farmers, agronomists and industry personnel at the Manitoba Agronomist Conference.
- Co-ordinated, edited and produced 24 issues of the Manitoba Crop Report providing information on regional crop development progress, and crop condition, noting environmental stress and crop responses.
- Produced 43 webinars (Crop Talk - East and West) with over 2,300 views through live presentation and on Manitoba Agriculture's YouTube channel. Presented at numerous producer meetings, resulting in over 6,000 contacts with local farmers.
- Provided production and pest mitigation information through technical extension tools - live presentations, factsheets, website posts and interviews with media outlets and social media providers. Investigated in situ pest surveillance results with risk maps created to assist forecasting accuracy.
- Used stakeholder contributions and surveillance networks to create the 14 weekly Insect and Disease Reports, notifying stakeholders of areas experiencing high levels of pests. Contributed to integrated pest management by producers and improved communication with beekeepers to reduce non-target pesticide exposure through information dissemination on economic thresholds and identification of beneficial insects.
- Updated and published Seed Manitoba 2017 with field crop variety performance reported in partnership with www.seedmb.ca. Collaborated with commodity associations, Crop Diversification Centre's and academic researchers to support crop variety and agronomic trials.
- Provided technical leadership to address pest and quality issues with new crops and varieties being grown in Manitoba. Consult with MASC on productivity of crops in Insurance Test Areas.
- Delivered technical information to promote producer use of alternative fertilizer sources and application methods to reduce greenhouse gas emissions.

Protection of Human, Animal and Plant Health

Expected Results

- Improved bee health through early detection and treatment of disease. Increased provincial cross-border movement of bees through inspection of honeybee colonies/leaf cutting bee operations.
- 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.
- Pest monitoring will include insects, diseases and weeds. Province-wide survey results will be published on a timely basis. Appropriate control measures, if needed, will be disseminated to the agriculture industry.
- Development of qPCR capacity for clubroot detection, quantification and distribution within Manitoba.
- Improved provincial certification programs training applicators in safe handling and application of products. Increased integrated pest management through delivery of a licensing program and training program delivered with Assiniboine Community College.
- Reduced human and animal exposure to smoke through co-ordination of the Crop Residue Burning Authorization Program. Development and extension of technology related to straw management alternatives and the promotion of alternative straw utilization opportunities.
- Legislation (including enforcement) administered. Revision of legislation as needed.
- More efficient use of nitrogen and reduction of phosphorus in runoff of water off land to waterways and less non-point source addition of phosphorus into waterways.
- Responses submitted to the federal legislators on changes in regulations impacting crop and bee production.
- Producers/industry compliant with new/changed legislation.

Actual Results

- Inspected 3,841 colonies: 3,508 were honeybee for American Foulbrood (AFB), European Foulbrood and small hive beetle; 45 were leafcutter colonies for Chalkbrood; and 288 colonies for inter-provincial movement. Four producers were found to have AFB. No small hive beetle was detected.
- Analyzed 728 samples at the Crop Diagnostic Lab resulting in 1154 diagnoses for plant disease, herbicide injury, insect damage, weed and insect identification.
- Collaborated with the Pest Surveillance Initiative Lab to collect and analyze 247 soil samples at the township level for clubroot in canola as part of clubroot surveillance. Released updated maps on cumulative results in January 2017 and discussed at Ag Days to maximize producer and industry awareness.
- Monitored pests including 1,180 surveys/monitoring activities. Published in-season pest risk forecasts for fusarium head blight (daily, 47 forecasts), potato late blight (twice weekly, 24 total), diamondback moth/bertha armyworm (4 weekly maps) and one wheat midge and grasshopper forecast.
- Collaborated with Pest Surveillance Initiative Lab to complete grid sampling of Manitoba to develop a baseline for distribution of clubroot.
- Worked with Assiniboine Community College to administer 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.

- Disbursed daily authorizations from August 1 to November 15 for Crop Residue Burning based on regional analysis of wind speed, direction and temperature/wind inversion. Issued 270 permits.
- Administered *The Noxious Weed Act*. Completed the Noxious Weeds Regulations, including consultations with stakeholders.
- Updated crop fertility recommendations for nitrogen and phosphorus at annual Soil Fertility Advisory Committee meeting. Continued incorporation of the nutrient management strategy (4Rs) into extension to reduce risk of runoff.
- Consulted with Health Canada's Pesticide Monitoring Regulatory Agency (PMRA) on label changes restricting use of specific pesticides to licensed applicators only and the re-evaluation of specific pesticides for continued use in agricultural production.
- Investigated 87 herbicide drift complaints, with results used to follow up on pesticide applicator license violations.

4 (c) Crop Industry

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2016/17 \$(000s)	2016/17 FTEs	2016/17 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	2,757	32.00	2,854	(97)	
(2) Other Expenditures	524		531	(7)	
Total Sub-Appropriation	3,281	32.00	3,385	(104)	

Appropriation 4(d) – Agri- Resource

Mandate

The Agri-Resource Branch (AR) provides leadership and advice on agricultural resource based issues (air, land and water) and represents Manitoba in regional and national discussions. Efforts are focused on the development of programs, policies, regulations and extension materials to facilitate the sustainable development, use and protection of these resources for the Manitoba agro-ecosystem.

AR contributes to agricultural land use planning on private, agricultural Crown and traditional lands as guided by *The Planning Act* and the Provincial Land Use Policies. AR manages the agricultural Crown lands leasing program and works with producers to allocate and ensure sustainable production on these lands for the betterment of industry and the public. The branch collectively assesses the agricultural impacts of private and public land use proposals alongside existing legislation, best management practices and economic development goals.

Additionally, support to the agricultural sector is provided through the soil survey program which undertakes mapping of soils in areas of particular sensitivity or proposed development to support the decisions made about land use and the management of public and private lands. AR also provides weather/climate information to monitor and assess effects on crops and livestock, diseases, pest management, and to facilitate adaptation to climate change.

Primary Agriculture Industry Development

Agri-Ecosystems and Land Management

Expected Results

- Reduce flooding, improve water quality and nutrient management through the implementation of new province wide programming.
- Technical support provided for three research studies evaluating manure treatment systems or improved manure application technologies or practices.
- Ten extension presentations/demonstrations promoting nutrient management in order to decrease phosphorus loss in runoff from agricultural land.
- Technical support provided for two training events for manure management planners and commercial manure applicators to ensure compliance with environmental regulations.
- Technical support related to soil quality, soil conservation or management provided for 10 extension events.
- Technical support provided for six activities relating to on-farm water management principles and potential options.
- Technical support provided for two meetings to improve drainage licensing for Manitoba producers.
- Technical support for one on-farm study on on-farm and regional water management to mitigate drought and flooding risks and reduce nutrient loads to surface water.

- Two new extension publications: one on climate based risks, research priorities, increased adaptive capacity or increased capacity for farm planning and one on trends in agricultural greenhouse gas emissions.
- Two chapters of the Farm Practices Guidelines for Livestock Producers revised.
- Land assessments conducted for an estimated 6 new and expanding livestock operations.
- Section B of the Environmental Farm Plan workbook revised.
- Development of two innovative decision tools for EG&S assessment.
- Support provided for review of value EG&S in grasslands.
- Participate in the review of Integrated Watershed Management Plans.
- Technical support provided for water quality, water quantity, climate change adaptation and mitigation and biodiversity Beneficial Management Practices BMP projects.

Actual Results

- Developed a draft ecological goods and services province-wide program framework and relevant consultation documents (in collaboration with Sustainable Development) that would help to reduce flooding, improve water quality and nutrient management.
- Contributed to research activities related to manure use and treatment:
 - Participated in five Manitoba Livestock Manure Management Initiative board meetings and an additional five sub-committee meetings. Developed four requests for proposals, reviewed all funding proposals and seven final research reports, and participated on two literature review committees.
 - Collected on-farm dairy manure production data to support Manitoba-based estimates of manure storage capacity for dairy operations.
 - Conducted a technical, economic and social evaluation of the only on-farm dairy manure anaerobic digestion (AD) system located at Sweetridge Farms in Winkler (in collaboration with Manitoba Hydro and Prairie Agricultural Machinery Institute). The AD system was decommissioned in November 2016.
- Participated in over thirty extension appearances promoting nutrient and water management in order to decrease phosphorus loss in runoff from agricultural land.
- Provided technical support to Assiniboine Community College for the delivery of the Manure Management Planners' Course and the Commercial Manure Applicators' Course. Registration numbers were below the threshold required for delivery of courses.
- Provided technical support related to soil quality, soil conservation or management for 22 extension events.
- Participated in the development and delivery of a session at the Manitoba Planning Conference for municipal Councils on livestock and water quality
- Provided technical support to producers to assist with drainage licensing.
- Provided technical support for one on-farm study of surface and subsurface water management to mitigate drought and flooding risks and reduce nutrient loads to surface water.
- Developed two new extension publications on climate based risks and increased adaptive capacity; and on trends in agricultural greenhouse gas emissions.

- Completed revisions and updates to Farm Practice Guidelines and Environmental Farm Plan workbook.
- Provided technical support for 10 applications for new and expanding livestock operations. Completed nine land assessments. Attended one open house and three Conditional Use hearings. Further refined the land calculator for pig operations. Provided technical support to Indigenous and Municipal Relations for the development of Technical Review Committee TRC forms, policies, and processes. Provided additional technical support regarding siting, building codes, and manure regulations to three dairy farms looking to expand.
- Utilized the innovative environmental benefits assessment index in order to assess environmental project proposals and target funding to projects with the highest anticipated environmental benefits.
- Provided support for the development of a literature review on the value of ecological goods and services originating from grasslands.
- Participated in Integrated Watershed Management Planning through review and/or provision of technical information for Cooks Creek, Whitemud River, Boyne Morris, Roseau River, East Souris, Netley Grassmere and Pembina River watersheds.
- Provided technical support for BMP programming and proposal development. Promoted and delivered GF2 programming (Growing Assurance – Environment and Ecological Goods and Services (EG&S) program.
 - Provided financial and technical support for five improved manure storage projects under the Manure Management Financial Assistance Program.
 - Facilitated 59 Environmental Farm Plan workshops attended by 280 producers resulting in 116 Statements of Completion being issued
 - Secured federal funding to collaborate on species at risk programming with Manitoba Habitat Heritage Corporation.

Growing Assurance – Environment – Program Statistics – 2016/17

Approved	Funded	BMP	Actual
3	1	Increased Manure Storage Capacity	\$ 125,000.00
16	4	Improved Manure Storage (Repair)	\$ 372,665.00
0	0	Manure Treatment	\$ -
2	2	Farmyard Runoff Control	\$ 79,633.00
6	2	Relocation of Livestock Confinement	\$ 164,584.00
15	8	Extensive Wintering of Livestock	\$ 74,957.00
35	23	On-Farm Fuel Storage	\$ 94,489.00
1	1	Sanitation Equipment for Commercial Manure Applicators	\$ 12,760.00
78	41		\$ 924,088.00

Growing Assurance – EG&S – Program Statistics – 2016/17

Approved	Funding	BMP	Actual
13	13	Water Retention Structures	\$ 453,207.00
0	0	Wetland Restoration	\$ -
1	1	Constructed Wetlands	\$ 25,332.00
12	10	Riparian Area Enhancement	\$ 259,558.00
0	0	Natural Area Maintenance and Enhancement	\$ -
1	1	Buffer and Grassed Waterway Establishment	\$ 6,667.00
1	1	Perennial Cover for Sensitive Land	\$ 8,824.00
0	0	Shelterbelt / Tree Establishment	\$ -
28	26		\$ 753,588.00

- Provided technical support to the CVO for 2 disease investigations for mortality disposal for PEDv infected sites and land application of PEDv infected manure.
- Developed the new Manitoba Farm Building Code with the Office of the Fire Commissioner (OFC). Provided technical input to the development of the Farm Building Code Guidance document.
- Established and Chaired an Interdepartmental Tile Drainage Working Group to coordinate tile drainage initiatives, knowledge, and programming across departments and assembles and communicates technical information to educate stakeholders. Developed a guide to understanding Tile Drainage with funding provided by GF2.

Soil and Ag Weather Surveillance

Expected Results

- RM of Cornwallis and Daly: maps completed for agriculture capability, irrigation, irrigated potato production, surface texture, drainage, erosion, topography, stoniness and salinity, in addition to six soil series map sheets (one for each township).
- RM of Whitehead and Lansdowne: soil pits will be dug and surveyed and lab analysis completed for each.
- RM of Cornwallis and Daly: finalize soil polygon, attribute data and statistics
- Sensors installed and improved data handling capacity in MB Ag's Agricultural Weather Network.
- Weather and climate information provided to projects assessing variety adaptation, crop diseases, weed and insect management, crop yields, etc.
- Information generated on fall soil moisture levels for agronomic decision-making and flood-prediction modelling.

Actual Results

- Completed maps for Rural Municipality (RM) of Cornwallis on dryland agricultural capability, suitability for general irrigation, suitability for irrigated potato production, surface texture, drainage, erosion, topography, stoniness and salinity, in addition to six soil series map sheets (one for each township) and six dryland agricultural capability map sheets. Completed a draft report for the RM of Daly.
- Completed 1,691 soil pits in RM of Whitehead and soil names assigned. Field work did not proceed in the RM of Lansdowne.
- Completed maps and named 1,515 soil polygons in RM of Cornwallis. Soil polygons, attribute data and statistics in the RM of Daly in progress.
- Installed 15 new weather stations and 17 existing weather stations were upgraded with new hardware and software. Each weather station monitors, wind, solar radiation, temperature and humidity, precipitation and soil temperature. Soil moisture probes were installed at 5 and 20 cm at 78 weather stations.
- Provided weather and climate information to projects assessing variety adaptation, crop diseases, weed and insect management, crop yields, etc.
 - Total and Percent of Normal Growing Degree Days, Total and Percent of Normal Corn Heat Units, and a summarized weather report per weather station from May 1 to October 31, 2016.

- Weather data supported daily forecasts for Fusarium Head Blight, the Potato Late Blight and the Winter Wheat Survival Model.
- From January to December 2016, the following number of views occurred for the top 5 Manitoba Ag Weather Program internet pages.

Web page	# of views in 2016
Current weather conditions	29,881
Current conditions summary	18,403
Weather – main landing page	14,404
Weather conditions and reports	11,972
Crop Residue Burning	11,154

- Produced three webinars, five extension meetings and a Yield Manitoba article in the Manitoba Co-operator to summarize seasonal weather conditions.
- Generated information on fall soil moisture levels for agronomic decision-making and flood-prediction modelling. Produced a Fall Soil Moisture Survey, which is a one-time soil moisture sampling in the last week in October and the first week in November (prior to freeze up) from the top zone (defined as 0 – 30 cm) and the sub zone (30-120 cm). Installed soil moisture sensors at weather stations to record soil moisture (5 and 20 cm) and soil temperature and to record the freeze-thaw cycle in near real time according to soil texture.
- Provided all new and historical soil and weather data on the custom Agri-maps viewer at <https://agrimaps.gov.mb.ca/agrimaps/> to help producers, agronomists, planners and the public make more informed land management decisions.

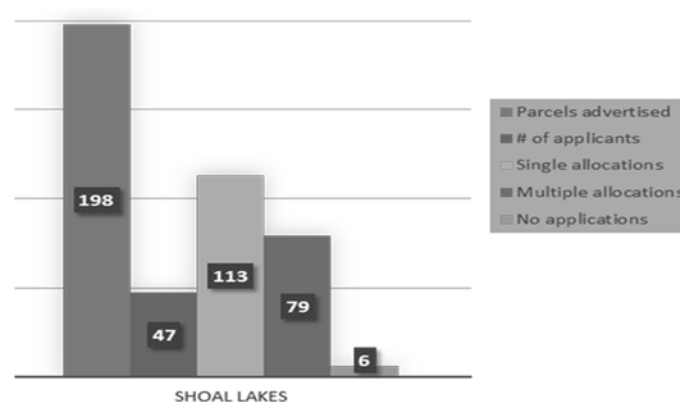
Land Use

Expected Results

- Complete subdivision, bylaw and development plan reviews in relation to provincial policies and regulations.
- Strengthened policies 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.
- Community pasture lands (395,306 acres of agricultural Crown and rural municipality lands) will continue to be managed in an agriculturally sustainable and productive manner.
- In conjunction with Crown Lands and Property Agency (CLPA), delivery of the Agriculture Crown Lands (ACL) program involving the management and disbursement of approximately \$1.6 million tax dollars (conditional grant) to rural municipalities.
- Ensure agricultural opportunities are captured within the acquired Shoal Lakes area by utilizing these lands in support of the agricultural base in Manitoba to provide continuing economic opportunity for the area.
- Facilitate Treaty Land Entitlement selections by identifying and making available ACL for selection.

Actual Results

- Reviewed and tracked 392 subdivisions in designated agricultural areas (written comments provided for 365 of 392). Participated in 25 meetings with councils, planning districts and consultants.
- Provided input on policies and provisions for development of 121 municipal development plans, secondary plans, zoning by-laws, annexations, and 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 two Development Plan Technical Advisory Committees (RM of Hanover, Whitehorse Plains Planning District) to ensure that rural development occurs in a planned, balanced, and sustainable manner to maximize economic benefit and minimize land use conflicts.
- Operated the community pasture program, the Association of Manitoba Community Pastures (AMCP). Grazed 24,684 adult cattle and 17,957 calves for a total of 42,641 animals. Added nine new pastures to AMCP bringing the total compliment to 20 pastures being operated.
- Resource ongoing sustainable land management of the pastures in partnership with Manitoba Sustainable Development.
 - The Range Implementation and Management Group (RIMG) provided training to pasture managers on using a Grazing Monitoring Index (GRI) tool to promote sustainable management.
 - Generated \$1.76 million in rural municipal taxes through ACL leases.
- Advertised 528 parcels (69,462 acres) of ACL for lease in 2016 with 419 parcels (~55,000 acres) allocated to clients.
- Monitored program resulting in 19 forage leases (15,089 acres) and one cropping lease (118 acres) being cancelled due to compliance issues.
- Provided forage production and program extension to clients on an ongoing basis.
- Maintained agricultural use on acquired Crown land in the Shoal Lakes region through the allocation of forage leases and permits. 198 parcels (27,590 acres) were advertised. 192 parcels (26,714 acres) were allocated.



Current Shoal Lakes Allocation	
Parcels Under Lease	198 (approx. 27590 ac.)
Remaining Vacant	7 (approx. 1068 ac.)

- Fulfilled provincial Treaty Land Entitlement obligations through making available ACL (2,624 acres) that were selected by First Nations.

Protection of Human, Animal and Plant Health

Expected Results

- Reduced human and animal exposure to smoke through co-ordination of the Crop Residue Burning Authorization Program. Development and extension of technology related to straw management alternatives and the promotion of alternative straw utilization opportunities to further reduce burning requirements.

Actual Results

- Issued daily authorizations for Crop Residue Burning from October 1 to November 15, 2016, by 11:00 am daily based on regional analysis of wind speed, direction and temperature/wind inversion in order to minimize human and animal exposure to crop residue burning. Issued of 270 permits during this period.

4 (d) Agri-Resource

Expenditures by Sub-Appropriation	Actual	Estimate	Variance	Expl.
	2016/17	2016/17	Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)
(1) Salaries and Employee Benefits	3,208	46.00	3,730	(522)
(2) Other Expenditures	1,484		1,740	(256)
(3) Manure Management Financial Assistance Program	500		500	-
Total Sub-Appropriation	5,192	46.00	5,970	(778)

Appropriation 4 (e) – Less: Recoverable from Rural Economic Development Initiatives (REDI)

Mandate

This sub-appropriation provides for the recovery of Rural Economic Development Initiatives related expenditures incurred by the Agri-Industry Development and Advancement Division.

4 (e) Less: Recoverable from Rural Economic Development Initiatives

Expenditures by Sub-Appropriation	Actual	Estimate	Variance	Expl.
	2016/17	2016/17	Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)
Other Expenditures	(2,300)	-	(2,300)	-
Total Sub-Appropriation	(2,300)	-	(2,300)	-

Appropriation 5 Agri - Food

The Agri-Food and Technology Transfer Division provides front-line delivery and support of programs and information to enhance the profitability of family farms and to grow the food and agri-product industries. Provides leadership and specialized support in applied production research and extension, farm enterprise management, food and agri-product commercialization and business development, and public trust of the agriculture and food industries.

Appropriation 5 (a) – Growing Opportunities Centres

Mandate

The Growing Opportunities Centres Branch is the front line delivery arm for the department. Through its network of 31 offices (30 in rural Manitoba and one in Winnipeg) the branch provides:

- General agrology advice and local information gathering to support profitable and sustainable primary production;
- Applied farm production research and extension of results through a network of four crop diversification centers;
- Specialized farm enterprise management (FMS) information, analysis and resources;
- Information and pathfinding support for departmental and government programs;
- Provincial programming and leadership in agricultural awareness and public trust.
- Programming and extension support to build agriculture organizations' and industry's leadership and organizational capacity to drive economic development in rural Manitoba and youth leadership.

Program. Activities and Expected Results

Primary Agriculture Industry Development

Expected Results

- Will complete 200 applied research trials in co-operation with universities, industry groups, AAFC and private industry.
- Will hold annual field tours attracting 40-160 people per site per event.
- Will transfer applied research results to industry at events such as Ag Days in Brandon, Farm Focus in Boissevain and at a variety of industry-sponsored meetings.
- Improved research performance related to trial risk, information collection and research service with use of Unmanned Aerial Vehicles.
- Development of a plan and website that will create greater online extension of our applied research results.
- Continued efforts to manage income risk with diversified crops
- Increased understanding and use of MB Ag farm management support decision tools as measured by web trends.

- Through the Bridging Generations Initiative (BGI) program, provide financial and program administrative advice to 200 active BGI clients.
- Promoted and support 50 clients with the GF2 Next Generation program.
- Staff will provide financial consultative services for up to 20 mediation cases to support the Farm Mediation Board process.
- Gather, analyze and extend production economics to aid industry in forecasting and adapting to evolving challenges and opportunities.
- Primary agriculture industry clients will understand the value of having a farm business plan.
- A project supported by Manitoba Agriculture when completed, would provide Manitoba producers with personalized management data and the department with aggregate economic data on the various farming sectors in Manitoba.
- Technical and co-ordination support will be provided to crop diversification centers and specialists for over 50 trials and 30 extension meetings/tours.
- The department will support and have a successful Manitoba Young Farmers Conference (led by Keystone Agricultural Producers (KAP)) with a focus on relationship building and farm management skill development.
- Farm enterprise management information will have been shared through enhancing the Business and Economics section of the MB Ag website.
- A risk management decision tool that can be utilized by primary agriculture clients and industry advisors in order to make more informed risk management decisions.
- Quality tools and resources available for the primary agriculture industry and their advisors to make informed farm management decisions.
- In cooperation with other branches development of cost of productions for small scale agricultural industry; specifically related to the feather industry and market gardens.
- Develop a Manitoba new farms information guide in cooperation with the small farms specialist.
- Staff will advise 10 new immigrants on the economic opportunities to farm in Manitoba.
- Northern and Indigenous communities in remote areas will increase their food security through 12 hands-on workshops on growing and preserving their own nutritious and affordable food.
- Increased capacity within agricultural organizations including:
 - An increase in the number of organizations that have developed strategic economic development plans.
 - Increased knowledge and skills of agricultural leaders to lead and strengthen agricultural organizations.
 - Increased leadership, organizational development skills and agricultural industry knowledge of rural youth.
 - Increase in the number of organizations that utilize planning, decision making and other MB Ag on-line resources.

Actual Results

- Completed 134 projects at Diversification Centre's (DC) representing 7935 research plots

	WADO	PCDF	PESAI	CMCDC	Total
# of Trials	41	28	67	28	134
# of Plots	2059	1179	2847	1840	7935

Crop Trial	WADO	PCDF	PESAI	CMCDC
Cereal	17	11	25	10
Oilseed	7	11	13	7
Special Crop	6	3	7	5
Pulse	10	2	20	0
Forage	1	1	2	1
Potato	0	0	0	5
Total	41	28	67	28

- Held seven field and crop tours attracting over 200 producers and agronomists.
- Extended results of applied production research at Ag Days, Brokenhead Ag Conference and Crop Connect.
- Conducted 100 flights over research sites, the MBFI research farm, producer fields (nitrogen field trials and potato yield variability), and MCVET plots. Used aerial imagery of research sites and producer fields for planning trial placements. Used Normalized Difference Vegetative Index (NDVI) images to document variability within small plot trials, as well as the potato variability trial. Created a sequence of NDVI images for the potato fields for future protocol development and understanding of rates of senescence.
- Extended results via social media by two DC's developing twitter accounts, and one DC developed a Facebook page.
- Tried new crops and management systems, such as hemp, peas, quinoa, buckwheat, and intercropping systems, to help manage income risk with diversified crops.
- Increased the understanding and use of department farm management support decision tools by updating 20 tools and resources, and by sharing these through 15 industry presentations and over 400 consultations.
- Provided 83 clients with financial and program administrative advice associated with 75 loans through the Bridging Initiative (BGI) program.
- Received 356 calls for advice from new and existing clients with respect to the GF2 Next Generation program. Approved 48 new GF2 - Next Generations projects for funding.
- Provided 47 financial consultative services for existing and 10 new mediation cases to support the Farm Mediation Board process.
- Analyzed and extended production economic information to aid industry in adapting to evolving challenges and opportunities; specifically supporting MBFI, AMCP and the U of M Diploma class.

- Extended the awareness message that every farm should have a written business plan and other farm best management practices through an electronic newsletter (2) distributed to over 700 clients, a booth at 18 events, 26 presentations and reactively through 1080 consultations.
- Supported the Western Beef Development Center in the development of the benchmark survey required for the Western Canadian cow/calf benchmarking project. The project is planned for fall 2017 utilizing 2016 cow/calf information.
- Provided technical and co-ordination support on 29 trials and at 22 extension meetings/tours.
- Supported a successful Manitoba Young Farmers Conference (led by KAP) through GF2 Agri-Extension with an attendance of 85 young farmers. The conference focused on farm management skill development and relationship building.
- Shared information on farm enterprise management through enhancing the Business and Economics section of the department website. Continuously updated the various focus areas of the business management section: Production Economics, Marketing, Financial Management, Farm Succession and Transition to keep the information.
- Developed CropPlan 2.0; a risk management tool that can be utilized by primary producers and industry advisors to make informed crop management decisions.
- Prepared new and updated tools and resources (35) in crop and livestock production, land values, land rental rates, input economics, which were extended through events such as Ag Days and on the department website.
- Updated the Organic Crop Production COP, in cooperation with the Organic Industry Association, and the information was extended to organic producers during Ag Days.
- Developed a draft new farms information publication and web page designed to assist potential new immigrant farmers looking for information on the economic opportunities in Manitoba's farming industry.
- Advised 12 new immigrants and their business consultants on the economic opportunities to farm in Manitoba.
- Provided information and technical advice to grow and preserve food through 43 hands-on workshops in First Nations and northern communities.
- Facilitated the completion of 103 organizational assessments by board members which analyzed the states of their strategic economic development. Advanced knowledge and skills of agriculture leaders as:
 - 3205 individuals participated in in-person training on topics: developing and reviewing by-laws; board roles and responsibilities; organizational risk management; and communication and leadership styles.
 - 279 agricultural leaders participated in webinar learning. Social media avenues report 638 industry leadership YouTube viewings. Made 53 original tweets.
 - 2319 youth studied 2898 projects, categorized under the following 4H leadership pillars: Sustainable Agriculture and Food Security; Environment and Healthy Living; Science and Technology; Community Engagement; and Communication.
- Advanced youth skills with 173 youth participating in three workshops covering meeting management, communications and global interest topics.

- Advanced industry leadership through that portion of Manitoba Agriculture's website having 21,133 visits.

Agri-Food and Agri-Product Development

Expected Results

- One hundred new food entrepreneurs will be extended business development information in Manitoba.
- An increase in the number of rural organizations engaged in actions to advance their organization and the agri- food and agri-products processing industry.

Actual Results

- Provided business development support to 214 clients. Provided support to 99 entrepreneurs/food processing and 40 bioproduct clients. Assisted 25 individual food processing clients. Worked with 23 food processors using Manitoba-grown commodities as main ingredient. Published the co-packer listing and co-packer factsheet on the department website.
- Actions to advance their organization and the agri- food and agri-products processing industry were undertaken by 97 organizations.

Protection of Human, Animal and Plant Health

Expected Results

- Administer GF2 program applications as required.
- Environmental Farm Planning workshops delivered
- Information provided on environmental stewardship and food safety best management practices through extension and funding assistance under GF2 assurance programs.
- The agricultural industry will be engaged to discuss development of a public trust/social license strategy.
- Pest monitoring compiled will include insects, diseases and weeds; specifically: Diamond back Moth, Bertha Army Worm, Cabbage Seed Pod Weevil, wireworms, grasshoppers, clubroot, cereal leaf diseases, and emerging herbicide-resistant weeds. Weekly crop information will be collected and used by the department to produce crop reports, and raise disease and pest issues Staff will advise on potential problems or opportunities from the local areas that they cover.
- Participation in the Manitoba Premises Identification Program will rise by 15 per cent.

Actual Results

- Worked with over 350 producers to successfully process 431 GF2 applications.
- Assisted with delivery of 16 Environmental Farm Planning Workshops with over 90 participants.
- Provided support to 180 clients regarding environmental stewardship and food safety best management practices through extension and funding assistance under GF2 assurance programs.
- Engaged in public trust building activities with 2550 participants over 25 various venues, including: Ag in the Classroom, Ag Awareness Day, Agriculture in the City and Open Farm Day. Provided support to deliver tours and events; such as Diversification Centre field tours, Hog Days, Farm Focus, Beef Days, Bio-

Innovation Tour, edible bean meetings, Beef and Barley Days, Crops Days and MBFI Tours.

- Collected monitoring research data at 327 different sites for diamond back moth, bertha army worm, grasshoppers, swede midge, fusarium headblight, soybean disease, canola diseases and soil moisture. Provided 83 localized crop status reports for the provincial crop report and flood reporting on an as needed basis in spring.
- Increased participation in the Manitoba Premises Identification Program by 8%.

Contributes to all Areas of Focus

Expected Results

- General agricultural knowledge and program information will be extended to over 5,000 enquiries from clients who call and/or come into our local offices. Clients will be referred for more specialized advice within the department as required.
- A more informed public about the importance of the agriculture sector to the Manitoba economy and our everyday lives.

Actual Results

- Extended general agricultural and program information as a result of over 11,000 client inquiries who visited or called Manitoba Agriculture offices. Over 12,000 referrals were made for more specialized advice.
- Worked with commodity groups to deliver the agriculture awareness message to the public through social media and at Discover Agriculture in the City at The Forks, March 2017. Supported the Manitoba Association of Agricultural Societies with the organization of the 2016 Open Farm Day.

5 (a) Growing Opportunities Centres

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2016/17	2016/17		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	4,060	73.00	4,974	(914)	1
(2) Other Expenditures	854		1,322	(468)	
(3) Grant Assistance	303		303	-	
Total Sub-Appropriation	5,217	73.00	6,599	(1,382)	

1. The variance is mainly due to vacant positions.

Appropriation 5 (b) Food Development Centre

Mandate

The Food Development Centre (FDC) is a Special Operating Agency of the Province of Manitoba and operates under the authority of Manitoba Agriculture. FDC supports growth of jobs and economic growth in the agri-food industry through the development and commercialization of conventional food products and functional foods.

Program, Activities and Expected Results

Agri-Food and Agri-Product Development

Expected Results

- Develop 35 new food product prototypes, ready for launch into the commercial market.
- Delivery of industry driven training in food regulations, safe food production and processes.
- Food industry processors meet nutritional and regulatory affairs regulations to market their food products.
- Pilot plant optimized to assist 25 new and existing clients to produce commercial food products.
- Partnerships established with Manitoba Agri-Health Research Network (MAHRN), commodity groups and food companies to grow the food processing sector through the Grain Innovation Hub.
- 2016/17 operational budget realized.

Actual Results

- Developed 34 food product prototypes ready for launch into the commercial market. Six new food products were launched into the commercial market.
- Presented technical expertise in food regulations, safe food production and processes at various seminars, workshops and conferences. Attended nine tradeshows connecting with commodity groups and food companies to build on agriculture partnerships to grow the food processing sector.
- Provided 11 HACCP plans to food industry processors to meet nutritional and regulatory affairs regulations in order to market their food products. 294 Food Labels were created in 2016/17. Conducted sensory evaluation on nine products for five clients and shelf-life analysis was done on 26 products for 11 clients.
- Assisted 14 new and existing clients in pilot plant to produce commercial food products at a retail value of \$1.17 million on-site and four pieces of equipment were rented to Manitoba companies to use off-site from FDC, related to protein extraction and co-product utilization.
- Developed and enhanced a number of partnerships and networks to support the food processing sector including: National Research Council Industrial Research Assistance Program, U of M, (Human Nutritional Sciences Department and Dairy Pilot Plant) Canadian International Grains Institute, POS BioSciences, Saskatchewan Food Industry Development Centre Inc., U of S, Indian Head Research Farm. MAHRN and FDC collaborated on canola,

sunflower, barley/spent grain projects to investigate co-product utilization and protein extraction. The first phase of the canola project on cold-press oil extraction, started in 2015/16, has resulted in a company forming to commercialize the oil. Implemented a client intake process to enhance client service in collaboration with Food and Agri-Product Processing. FDC did not receive any funding through the Grain Innovation Hub.

- Implemented lean manufacturing principles and tools throughout its operation to improve capacity utilization and operational efficiency, resulting in increased capacity and reduced costs. The operational budget was realized in 2016/17.

5 (b) Food Development Centre

Expenditures by Sub-Appropriation	Actual	Estimate	Variance	Expl.
	2016/17	2016/17	Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)
Grants/Transfer Payments	2,020	-	2,020	-
Total Sub-Appropriation	2,020	-	2,020	-

Appropriation 5 (c) Food and Agri-Product Processing

Mandate

The Food and Agri-Product Processing Branch (FAPP) provides services to entrepreneurs, businesses and organizations to strengthen the competitive position of Manitoba's food and agri-products processing industries in the domestic and global marketplace. The branch provides information and intelligence, pathfinding, marketing tools and business consultancy services. Its main areas of focus for the targeted industries are: building entrepreneurial capacity; maintaining and building industrial capacity; developing and securing new market opportunities; commercializing new and innovative products; building and maintaining a dynamic labour force; and building industry awareness.

Program, Activities and Expected Results

Agri-Food and Agri-Product Development

Expected Results

- An increase in capacity of small scale producers to participate in Manitoba's food and agri-products sector.
- A food processing business manual and a food industry development guidebook/manual will be created to assist new and existing businesses to start or expand product lines and operations.
- A series of 10 workshops on food enterprise development will be offered with a potential audience of 100 participants.
- An increase in Manitoba entrepreneurs and processors owning and operating successful food processing enterprises.
- Establishment of new or expanded food and agri-product enterprises in Manitoba.
- An increase in licensed processing capacity across Manitoba available to micro and small-scale food processors.
- Increased investments in food and agri-product processing businesses and jobs resulting from GF2 programming; increased processing of Manitoba-grown commodities.
- An increase in domestic market awareness and penetration for Manitoba entrepreneurs and their new food and agri-products.
- An increased participation in various marketing campaigns and activities by producers, processors, retailers, restaurants, and distributors.
- Increased domestic consumption of Manitoba grown and processed foods and agri-products.
- An increase in attendance of Manitoba food processing and agri-product companies at domestic and international trade shows.
- Attendance of food industry entrepreneurs at the Direct Farm Marketing Conference and other market development events.
- An increase in innovation, commercialization, production, and market access of Manitoba-based functional foods, natural health products, and agri-products.

- An increase in opportunities and events that are focused on identifying, commercializing and showcasing Manitoba's leading agri-food innovations.
- Increased engagement by small scale food processors in assessing opportunities and accessing local markets.
- Acceleration of product commercialization, market access, and productive capacity among Manitoba's small to medium-sized food, bio-mass, and bio-fuel processors. Maintenance and growth of existing food and agri-product processors.
- Availability of workforce to meet industry employment demands and requirements.
- Increased participation in employment training activities and events.
- A food processing strategy will be developed that identifies key priorities and actions to grow the industry.
- A functional foods and nutraceuticals strategy will be developed that identifies opportunities and positions Manitoba for further development in this area.
- Increased public and industry awareness of local food related events, promotion and industry activities, and economic impact analysis and metrics to track trends in the small scale industry will be undertaken.
- Production and printing of Local Produce Guide, Farmers' Market Guide, and local ingredients guide for restaurants to promote and increase the domestic consumption of Manitoba produce and food products.

Actual Results

- Supported entrepreneurial development events including:
 - Take the Leap Rural Entrepreneurship conference in Dauphin, building the entrepreneurial capacity of 150 rural entrepreneurs.
 - Direct Farm Marketing Conference in Morden attended by 98 producers and processors.
 - Fifth annual Entrepreneur Boot Camp in Westman and the first Entrepreneur Boot Camp in Pembina Valley, in partnership with Entrepreneurship Manitoba and Innovate Manitoba. These learning, networking and competitive events increased the entrepreneurial capacity of 26 entrepreneurs.
- Created resource materials aimed at food entrepreneurs:
 - How to Create an Effective Sell Sheet
 - How to Choose a Distributor
 - Trade Checklist and Human Resource Manual for food processors.
- Improved entrepreneurial capacity by:
 - Providing training to 21 entrepreneurs and food processors on how to export and import their products/ingredients by hosting two US/Canada Border Missions with World Trade Centre (WTC) and Food and Beverage Manitoba (FABMB).
 - Developing and enhancing a number of partnerships and networks to support the food and agri-product sector including the City and Rural Municipality of Portage la Prairie, Manitoba Hydro and other government departments to attract the Roquette development to Manitoba.
 - Collaborating with the Composites Innovation Centre and the Prairie Agricultural Machinery Institute to establish national standards for industrial biofibre and biomaterials.

- Showcasing the winning product of the Great Manitoba Food Fight in upcoming seasons of The Great Tastes of Manitoba television series.
- Working with Entrepreneurship Manitoba to coordinate the delivery of training and the WTC – Business Information Centre, Manitoba Trade, Innovate Manitoba and North Forge to provide clients with access to entrepreneurial and business management capacity building programs and services.
- Working with Manitoba Trade and Investment to standardize trade show processes, roles and responsibilities and work with export branches/ organizations to expand departmental contacts.
- Organized the Great Manitoba Food Fight (GMFF), which provided \$20,000 in product development awards to three winners to assist with further commercialization of their winning products. 18 GMFF applicants who did not move forward into the competition received technical support to further develop their food products.
- Provided direct business consulting, technical support and pathfinding services to over 214 entrepreneurs/ businesses engaged in the food and agri-product sector.
- Funded nine projects (six Commercialization and three Transformation) in 2016/17 for a total of over \$5.8 million under the Growing Forward 2 - Growing Value component. These projects contributed to an incremental investment in Manitoba's food processing sector of \$89.6 million, created 98 new full-time positions, and increased the purchase of Manitoba agri-inputs by \$15.7 million.
- Attracted new investment and economic activity including:
 - Attracted a foreign direct investment project (Roquette Freres of France) to build a \$400 million/150 job pea processing plant in the Rural Municipality of Portage la Prairie. Worked with several other prospective food processing developments, both new and expansions throughout the province.
 - Presented to the members of the Economic Development Association of Manitoba on the province's role and support for attracting foreign direct investment to Manitoba related to food and agri-product processing.
 - Updated the government's investment brochure for print and website distribution.
- Worked with ten brewery/distillery businesses in obtaining and interpreting information from Manitoba Liquor and Lotteries on rules and regulations governing alcohol production. Supported six breweries through Growing Value – Commercialization that collectively created 42 full-time, 25 part-time and 11 casual staff positions.
- Provided six commercial community kitchens with funding totaling \$87,000 to acquire new food processing equipment under the Commercial Community Kitchens Food Enterprise Program (CCK-FEP).
- Continued partnerships with stakeholder agencies to advance economic development included: Growth, Enterprise and Trade, Manitoba Trade and Investment, Composites Innovation Centre, WTC, Women's Enterprise Centre, Community Futures and others.
- Increased awareness of and access to domestic markets including:
 - Published a co-packer listing and co-packer factsheet posted on the department website.

- Collaborated with Direct Farm Manitoba and Prairie Fruit Growers Association to host the 2017 Direct Farm Marketing Conference.
- Assisted three clients in sourcing local ingredients for their food products and doing initial test marketing at Farmers' Markets.
- Presented workshops on: the retail grocery store business; Growing Opportunities with Local Foods Workshop; and Selling at the Farm Gate. Attracted 29 participants.
- Provided GF2 funding to FABMB to develop the Processing Food and Beverages in Manitoba - Reference Manual and the Manitoba Made - Business Resource Menu. Provided GF2 funds to FABMB to manage a market development program matching food processors with retail and food service buyers.
- Printed and distributed 9,000 copies of the Local Produce Guide.
- Assisted three clients in sourcing local ingredients for their food products and doing test marketing at Farmers' Markets. Provided over 30 clients with technical assistance and information to assess business opportunities.
- Hosted various workshops and events throughout the year including:
 - How to determine product costs and selling prices (56 participants).
 - Marketing a food product to Manitoba grocery stores (30 participants).
 - Assisted in hosting the annual Biomass Workshop, which attracted over 140 participants.
 - Great Manitoba Food Fight to support commercialization of products and increase capacity of entrepreneurs.
- Supported MAHRN through GF2 to further research benefits and to increase the awareness of the Canadian Climate Advantage Diet.
- Worked with MAHRN and the Manitoba Canola Growers Association (MCGA) to transition a cold pressed canola oil project from MAHRN to a group of canola growers in order to launch the product into local and domestic markets.
- Accelerated market access including:
 - Provided over \$148,000 to five bio-product processors that utilize a variety of Manitoba biomass inputs including:
 - Supporting protein fractionation in partnership with the Food Development Centre.
 - Utilize nine biomass projects under GF2, which increased the use of Manitoba agri-inputs.
 - Supported technically and financially, 15 companies to attend three domestic trade shows to display and expand their sales in new markets outside Manitoba. Held two pre-trade show-training sessions for 12 food companies averaging an increase in sales of approximately \$30,000 per show.
 - Worked with Manitoba Hydro to promote the use of biomass as an alternative to coal.
- Worked with processors to access training programs. Connected with provincial employment agencies to address processor labour needs. Worked with educational institutions on training programs to meet the growing needs of industry.

- Participated in consumer awareness and understanding activities:
 - Agriculture awareness tweets on food processing and food safety, with targeted messaging for such events as Canada’s Agriculture Day and Manitoba’s Farm and Food Awareness Week.
 - Agriculture awareness events that had food processing and food safety messaging, such as discover Agriculture in the City with over 15,000 attendees and Canada’s Agriculture Day panel of experts - consumer event with 50 attendees.
 - Food processing and food safety information through sponsorship of Great Tastes of Manitoba, which reaches over 25,000 television viewers each week.
- Developed an industry consultation survey to inform the strategic direction of the food and agri-product processing sector, identify regulatory and policy barriers affecting the sector and gauge industry needs and expectations for NPF.
- Initiated a Functional Food and Nutraceutical Strategy:
 - Awarded a contract to develop a Functional Food and Nutraceutical Strategy with the report to be completed by March 31, 2018.
 - Worked with seven clients who market their products as functional foods, and 23 food processors displayed their products at the Minister’s meeting and Home Hardware’s Buyers’ Open Day meeting.
- Worked with industry partners such as the Composites Innovation Centre to address regulatory and technical barriers facing bio-product processors that are introducing new products into the market. Collaborated with FABM to identify barriers to food processing industry growth. Conducted a food and bioproduct industry survey to identify growth opportunities and barriers to growth.

5 (c) Food and Agri-Product Processing

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2016/17	2016/17		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	1,697	26.00	2,254	(557)	1
(2) Other Expenditures	341		510	(169)	
(3) Grant Assistance	87		350	(263)	
Total Sub-Appropriation	2,125	26.00	3,114	(989)	

1. The variance is mainly due to vacant positions.

Appropriation 5 (d) – Less: Recoverable from Rural Economic Development Initiatives (REDI)

This sub-appropriation provides for the recovery of Rural Economic Development Initiatives related expenditures incurred within the Agri-Food Appropriation.

5 (d) Less: Recoverable from Rural Economic Development Initiatives

Expenditures by Sub-Appropriation	Actual 2016/17 \$(000s)	Estimate 2016/17 FTEs	Variance Over/(Under) \$(000s)	Expl. No.
Recovery	(2,496)	-	(2,897)	401
Total Sub-Appropriation	(2,496)	-	(2,897)	401

**Appropriation 6
Costs Related to Capital Assets**

Appropriation 6 (a) – Amortization Expense

Mandate

The department must 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 laboratory to protect human health from zoonotic diseases and animal health from serious diseases.

Protection of Human, Animal and Plant Health

Expected Results

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

Actual Results

- Recorded amortization costs consistent with government and PSAB guidelines.
- Recorded charges for amortization consistent with the period of service and useful life of the asset.

Appropriation 6 (b) – Interest Expense

Mandate

To 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 laboratory to protect human health from zoonotic diseases and animal health from serious diseases.

Protection of Human, Animal and Plant Health

Expected Result

- Provision of financing costs for capital investment related to the department. **Actual Result**
- Reflected interest costs accurately 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.
	2016/17	2016/17		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(a) Amortization Expense	254	-	260	(6)	
(b) Interest Expense	65	-	68	(3)	
Total Appropriation	319	-	328	(9)	

SECTION ONE
PART B
CAPITAL INVESTMENT
INFORMATION

Part B – Capital Investment

Mandate

To provide for the acquisition of tangible capital assets needed in the Veterinary Diagnostic Services (VDS) laboratory within the Chief Veterinary Office/Food Safety Branch to protect human health from zoonotic diseases and animal health from serious diseases.

Protection of Human, Animal and Plant Health

Expected Results

- The department invests \$250,000 to update and replace aging laboratory equipment.
- The investment supports continuity in service delivery and surveillance efforts.

Actual Results

- Invested \$171,600 in new laboratory equipment.
- Purchased capital assets to ensure VDS continued to provide non-interrupted service delivery to provincial animal welfare investigations and animal disease response and surveillance activities, and ensure required animal health testing was available to livestock and companion animal veterinary clients. Performed 126,916 tests.

Part B - Capital Investment

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2016/17	2016/17		Over/(Under)	No.
	\$(000s)	FTEs	\$(000s)	\$(000s)	
Capital Investment	171	-	250	(79)	
TOTAL	171	-	250	(79)	

SECTION TWO
ADDITIONAL FINANCIAL
INFORMATION
AND APPENDICES

**Appendix A: Financial Information
Manitoba Agriculture
Expenditure Summary**

for the fiscal year ended March 31, 2017 with comparative figures for the previous fiscal year (\$000s)

Estimate 2016/17	Appropriation	Actual 2016/17	Actual 2015/16	Increase/ (Decrease)	Expl. No.
PART A - OPERATING					
03-1 ADMINISTRATION AND FINANCE					
51	(a) Minister's Salary	51	36	15	
	(b) Executive Support				
698	(1) Salaries and Employee Benefits	726	675	51	
80	(2) Other Expenditures	43	74	(31)	
	(c) Department Planning and Service Innovation Directorate				
651	(1) Salaries and Employee Benefits	467	329	138	
219	(2) Other Expenditures	150	116	34	
	(d) Financial and Administrative Services				
1,275	(1) Salaries and Employee Benefits	931	1,160	(229)	1
335	(2) Other Expenditures	172	222	(50)	
	(e) Information Technology Services				
824	(1) Salaries and Employee Benefits	649	755	(106)	
269	(2) Other Expenditures	155	209	(54)	
4,402	Subtotal 03-1	3,344	3,576	(232)	

Appendix A: Financial Information

Manitoba Agriculture

Expenditure Summary

for the fiscal year ended March 31, 2017 with comparative figures for the previous fiscal year (\$000s)

Estimate 2016/17	Appropriation	Actual 2016/17	Actual 2015/16	Increase/ (Decrease)	Expl. No.
03-2 POLICY AND AGR-INOVIATION					
(a) Sector Policy, Planning and Programs					
1,970	(1) Salaries and Employee Benefits	1,565	1,326	239	2
409	(2) Other Expenditures	206	222	(16)	
(b) Research and Market Intelligence					
1,450	(1) Salaries and Employee Benefits	955	1,059	(104)	
273	(2) Other Expenditures	153	161	(8)	
1,215	(3) Grant Assistance	1,215	1,181	34	
(c) Boards, Commissions and Legislation					
797	(1) Salaries and Employee Benefits	896	757	139	
289	(2) Other Expenditures	219	275	(56)	
3,000	(d) Grain Innovation Hub	2,613	216	2,397	3
1,000	(e) Manitoba Biomass Energy Support Program	904	896	8	
10,403	Subtotal 03-2	8,726	6,093	2,633	

Appendix A: Financial Information
Manitoba Agriculture
Expenditure Summary

for the fiscal year ended March 31, 2017 with comparative figures for the previous fiscal year (\$000s)

Estimate 2016/17	Appropriation	Actual 2016/17	Actual 2015/16	Increase/ (Decrease)	Expl. No.
03-3 RISK MANAGEMENT, CREDIT AND INCOME SUPPORT PROGRAMS					
(a) Manitoba Agricultural Services Corporation					
9,849	(1) Administration and Lending Costs	78	6,238	(6,160)	4
52,362	(2) AgriInsurance	51,739	53,076	(1,337)	
2,080	(3) Wildlife Damage Compensation	3,706	2,207	1,499	5
35,001	(b) Agricultural Income Stabilization	32,986	18,771	14,215	6
36,039	(c) Farmland School Tax Rebate	40,367	33,997	6,370	7
(602)	(d) Less: Recoverable from Rural Economic Development Initiatives	(597)	(279)	(318)	
134,729	Subtotal 03-3	128,279	114,010	14,269	

Appendix A: Financial Information

Manitoba Agriculture

Expenditure Summary

for the fiscal year ended March 31, 2017 with comparative figures for the previous fiscal year (\$000s)

Estimate 2016/17	Appropriation	Actual 2016/17	Actual 2015/16	Increase/ (Decrease)	Expl. No.
03-4 AGRI-INDUSTRY DEVELOPMENT AND ADVANCEMENT					
(a) Livestock Industry					
2,932	(1) Salaries and Employee Benefits	2,828	2,905	(77)	
597	(2) Other Expenditures	462	545	(83)	
495	(3) Grant Assistance	494	456	38	
(b) Chief Veterinary Office/Food Safety					
7,236	(1) Salaries and Employee Benefits	7,078	6,588	490	
3,347	(2) Other Expenditures	3,023	2,743	280	
11	(3) Grant Assistance	11	10	1	
(c) Crop Industry					
2,854	(1) Salaries and Employee Benefits	2,757	2,798	(41)	
531	(2) Other Expenditures	524	493	31	
(d) Agri-Resource					
3,730	(1) Salaries and Employee Benefits	3,208	3,313	(105)	
1,740	(2) Other Expenditures	1,484	1,440	44	
500	(3) Manure Management Financial Assistance	500	1,150	(650)	8
(2,300)	(e) Less: Recoverable from Rural Economic Development Initiatives	(2,300)	(1,950)	(350)	9
21,673	Subtotal 03-4	20,069	20,491	(422)	

Appendix A: Financial Information

Manitoba Agriculture

Expenditure Summary

for the fiscal year ended March 31, 2017 with comparative figures for the previous fiscal year (\$000s)

Estimate 2016/17	Appropriation	Actual 2016/17	Actual 2015/16	Increase/ (Decrease)	Expl. No.
03-5 AGRI-FOOD					
(a) Growing Opportunities Centres					
4,974	(1) Salaries and Employee Benefits	4,060	4,150	(90)	
1,322	(2) Other Expenditures	854	926	(72)	
303	(3) Grant Assistance	303	480	(177)	
2,020	(b) Food Development Centre	2,020	2,020	-	
(c) Food and Agri-Product Processing					
2,254	(1) Salaries and Employee Benefits	1,697	1,783	(86)	
510	(2) Other Expenditures	341	346	(5)	
350	(3) Grant Assistance	87	30	57	
(2,897)	(d) Less: Recoverable from Rural Economic Development Initiatives	(2,496)	(2,466)	(30)	
8,836	Subtotal 03-5	6,866	7,269	(403)	

Appendix A: Financial Information
Manitoba Agriculture
Expenditure Summary

for the fiscal year ended March 31, 2017 with comparative figures for the previous fiscal year (\$000s)

Estimate 2016/17	Appropriation	Actual 2016/17	Actual 2015/16	Increase/ (Decrease)	Expl. No.
03-6 COSTS RELATED TO CAPITAL ASSETS					
260	(a) Amortization Expense	254	266	(12)	
68	(b) Interest Expense	65	70	(5)	
328	Subtotal 03-6	319	336	(17)	
180,371	TOTAL (PART A)	167,603	151,775	15,828	

Appendix A: Financial Information
Manitoba Agriculture
Expenditure Summary

for the fiscal year ended March 31, 2017 with comparative figures for the previous fiscal year (\$000s)

Estimate 2016/17	Appropriation	Actual 2016/17	Actual 2015/16	Increase/ (Decrease)	Expl. No.
PART B - CAPITAL INVESTMENT					
3. CAPITAL ASSETS					
250	General Assets	171	148	23	
250	TOTAL (PART B)	171	148	23	

Appendix A: Financial Information

Manitoba Agriculture

Expenditure Summary

for the fiscal year ended March 31, 2017 with comparative figures for the previous fiscal year (\$000s)

Explanations:

1. The decrease in Financial and Administrative Services' salaries and employee benefits is primarily the result of more vacant positions in 2016/17 than 2015/16.
2. The increase in Sector Policy, Planning and Programs' salaries and employee benefits is mainly due to fewer vacant positions in 2016/17 than 2015/16.
3. The variance in Grain Innovation Hub is mainly due to the increase in the number of projects undertaken from 4 projects in 2015/16 to 32 in 2016/17.
4. The variance in Manitoba Agricultural Services Corporation Administration and Lending Costs is mainly due to the decrease in the provision for direct loans, loan guarantees and emergency assistance loans and an increase in net interest income.
5. The variance in Wildlife Damage Compensation is mainly due to higher claim activity in the big game and waterfowl components of the program caused by the higher than normal unharvested crops in the late fall of 2016.
6. Agricultural Income Stabilization reflects Manitoba's share of AgriStability and AgrilInvest expenses. The variance is mainly due to differences in prior adjustments to the AgriStability and AgrilInvest programs as a result of updated forecasts from the federal government based on a combination of relatively high farm incomes and program changes introduced in 2013/14 under the Growing Forward 2 agreement.
7. The variance in Farmland School Tax Rebate is mainly due to the 2016 reassessment that resulted in a 51% increase in land assessment values, which resulted in a 28% increase in school tax levies.
8. The Manure Management Financial Assistance Program provides financial and technical assistance to the agricultural sector to support compliance with new restrictions in the amended Livestock Manure and Mortalities Management Regulation and the Clean Environment Commission. Five projects were undertaken in 2016/17 compared to 15 projects undertaken in 2015/16, due in part to a \$1.0 million budget reduction in 2016/17.
9. Recoveries associated with Rural Economic Development Initiatives were higher in 2016/17 than the prior year as the department accommodated a greater amount of Manure Management Financial Assistance Program costs in 2015/16.

**Appendix B
Manitoba Agriculture
Reconciliation Statements**

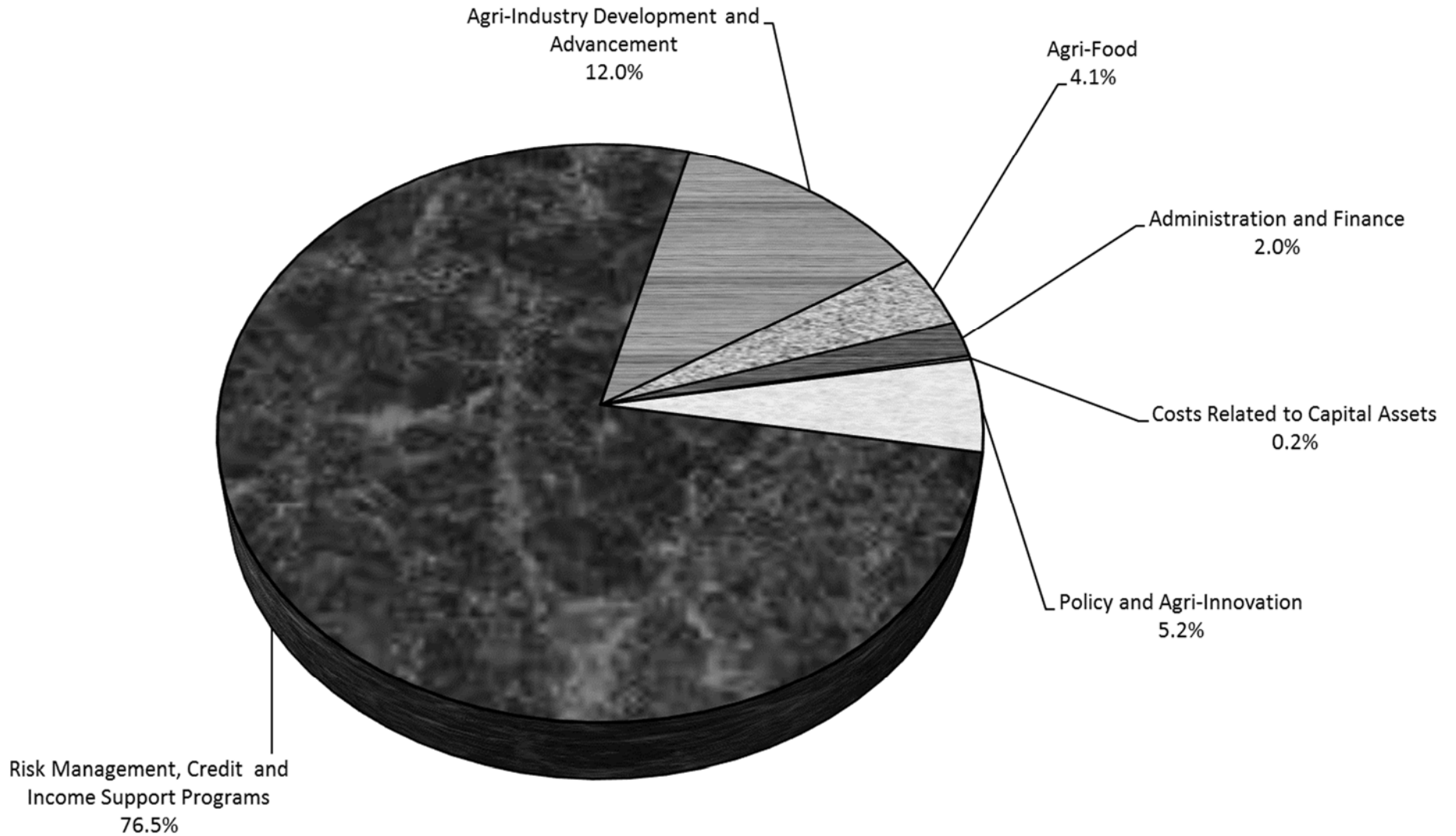
Part A - Operating

DETAILS	2016/17 ESTIMATES \$(000's)
<p>2016/17 MAIN ESTIMATES - PART A</p> <p>Allocation of funds from:</p> <ul style="list-style-type: none"> - Enabling Appropriations <ul style="list-style-type: none"> • Internal Service Adjustments 	<p>180,371</p> <p>-</p>
2016/17 ESTIMATES	180,371

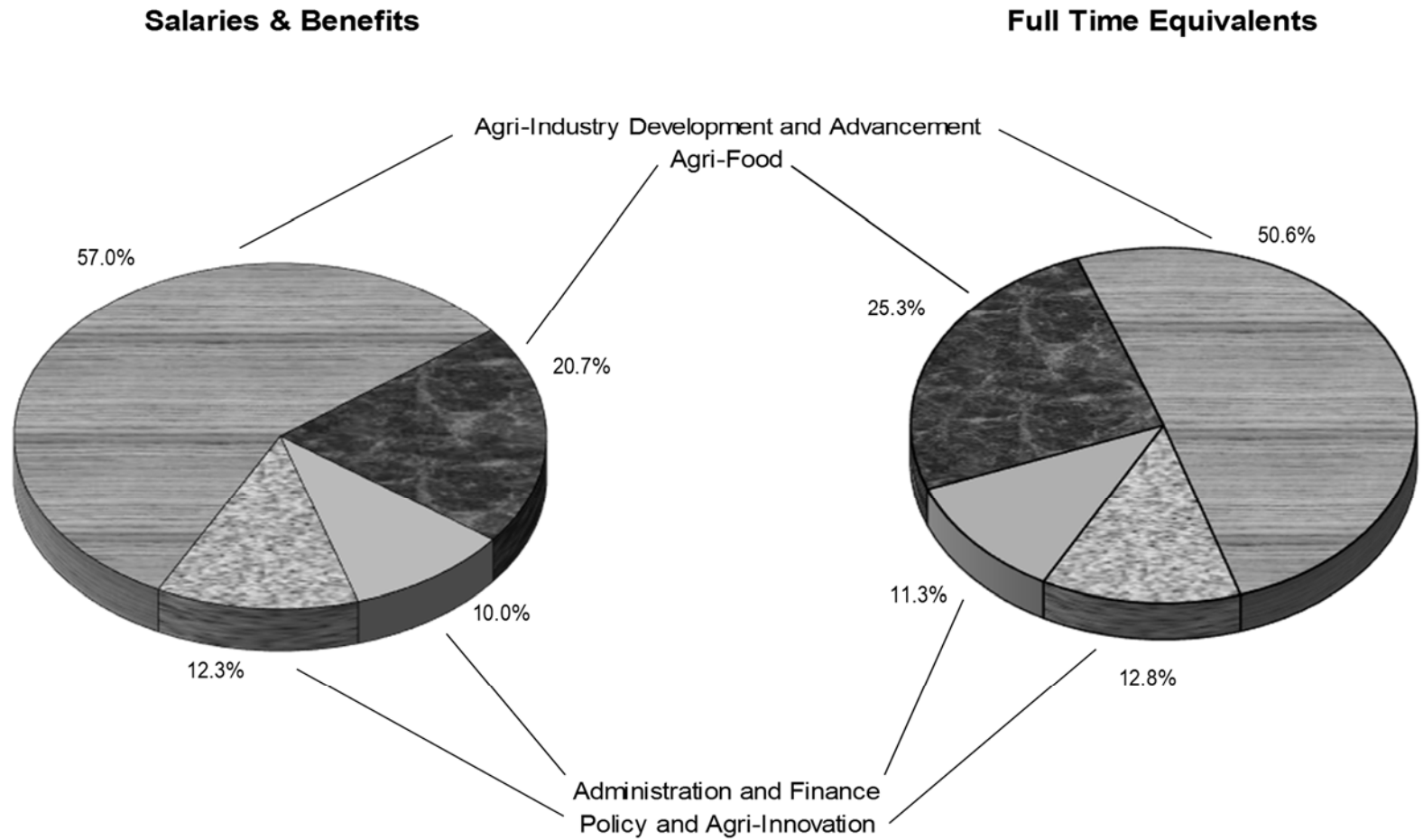
Part B - Capital Investment

DETAILS	2016/17 ESTIMATES \$(000's)
<p>2016/17 MAIN ESTIMATES - PART B</p> <p>Allocation of funds from:</p> <ul style="list-style-type: none"> - Enabling Appropriations 	<p>250</p> <p>-</p>
2016/17 ESTIMATES	250

**Appendix C
Manitoba Agriculture
Distribution by Main Appropriation
2016/17 Actual Expenditures**



Appendix D
MANITOBA AGRICULTURE
Percentage Distribution of Salaries & Employee Benefits
And Full Time Equivalents - 2016/17

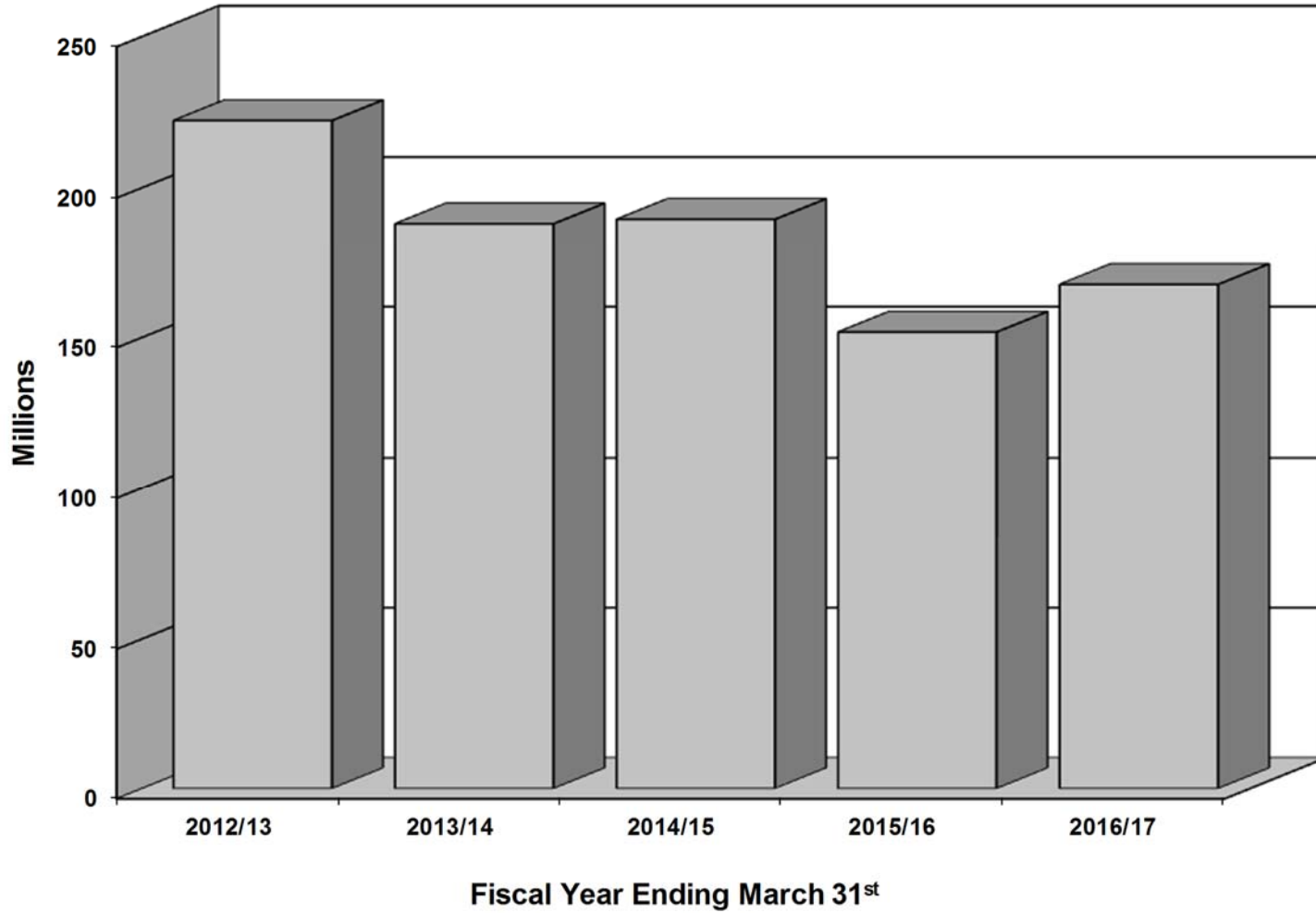


Appendix E Manitoba Agriculture Revenue Summary

for the fiscal year ended March 31, 2017 with comparative figures for the previous fiscal year (\$000s)

Actual 2016/17	Actual 2015/16	Increase/ (Decrease)	Expl. No.	Actual 2016/17	Estimate 2016/17	Increase/ (Decrease)	Expl. No.
CURRENT OPERATING PROGRAMS:							
Government of Canada:							
41	39	2	Other Programs	41	50	(9)	
41	39	2	Sub-Total	41	50	(9)	
Other Revenue:							
3,537	3,234	303	(a) Fees	3,537	3,856	(319)	
70	22	48	(b) Sundry	70	23	47	
3,607	3,256	351	Sub-Total	3,607	3,879	(272)	
3,648	3,295	353	Total Department Revenue	3,648	3,929	(281)	

**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, 2013 to March 31, 2017

Actual / *Adjusted Expenditures											
Main Appropriation		2012/13		2013/14		2014/15		2015/16		2016/17	
		FTEs	\$(000's)	FTEs	\$(000's)	FTEs	\$(000's)	FTEs	\$(000's)	FTEs	\$(000's)
3-1	Administration and Finance	46.00	4,147	44.00	3,581	44.00	3,245	44.00	3,576	44.00	3,344
3-2	Policy and Agri-Innovation	55.50	7,075	50.00	7,092	50.00	8,089	50.00	6,093	50.00	8,726
3-3	Risk Management, Credit and Income Support Programs	-	176,313	-	148,187	-	150,536	-	114,010	-	128,279
3-4	Agri-Industry Development and Advancement	228.23	26,532	199.00	21,742	199.00	18,790	199.00	20,491	198.00	20,069
3-5	Agri-Food	119.50	7,700	98.00	7,085	99.00	8,516	99.00	7,269	99.00	6,866
3-6	Costs Related to Capital Assets	-	338	-	338	-	335	-	336	-	319
Total Departmental Appropriations		449.23	222,105	391.00	188,025	392.00	189,511	392.00	151,775	391.00	167,603

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

Appendix H

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 9 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 Act
The Fruit and Vegetable Sales Act
The Horse Racing Commission 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
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

Appendix I

Performance Indicators 2016/17

AGRICULTURE

The following section provides information on key performance measures for the department for the 2016/17 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 2016/17 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.	2007-2011 Average Five year average wheat yield (bushels/acre) in MB: 43.8 Five year average canola yield (bushels/acre) in MB: 32.9 Five year average grain corn yield (bushels/acre) in MB: 102.0	2012 – 2016 Average Five year average wheat yield (bushels/acre) in MB: 51.9 Five year average canola yield (bushels/acre) in MB: 36.7 Five year average grain corn yield (bushels/acre) in MB: 123.3	Long term (30 year) trends have been toward increased yields for all four grain crops and for livestock.	Manitoba has seen record grain crop productivity recently. 2016 saw record yields for measured grain crops except canola. The 2016 yield for canola was the third highest on record. Ideal growing and harvest conditions were the drivers.

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 2016/17 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
		<p>Five year average soybean yield (bushels/acre) in MB: 30.9</p> <p>Five-year average cattle and calves total card cash receipts \$470 million</p> <p>Five year average hogs total farm cash receipts (FCR) \$794 million</p>	<p>Five year average soybean yield (bushels/acre) in MB: 36.7</p> <p>Five-year average cattle and calves total card cash receipts \$581 million</p> <p>Five year average hogs total farm cash receipts \$1.01 billion</p>	<p>The 30 year trend for FCR cattle and calves is \$580 million for 2015.</p> <p>The 30 year trend for FCR hogs is \$1.1 billion for 2015.</p>	<p>FCR's were record 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 2015.</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>2016/17- 280 producers attended workshops</p> <p>In 2016/17, 161 environmental plans were completed with 432,117 acres assessed, which included 111,334 new acres and 320,783 existing acres.</p>	<p>Increasing new acres and updating previously assessed acres in program</p>	<p>As of March 31, 2017, 7033 Environmental Farm Plans (EFPs) covering more than 9.7 million acres of MB farmland have been completed. EFPs require updating every 5 years.</p>
<p>The size and impact of the food and beverage manufacturing sector in Manitoba.</p>	<p>Total value of agri-food processing is an indicator of the additional value extracted from Manitoba-produced commodities. Additional</p>	<p>2008 sales: \$3.72 billion</p> <p>2008 exports: \$1.52 billion</p> <p>2008 jobs: 9,366</p>	<p>2016 sales: \$4.18 billion</p> <p>2016 exports: \$2.45 billion</p> <p>2016 jobs: 10,349</p>	<p>Manitoba food processing sector has been stable after a 17% growth in 2009. Record sales of \$4.6 billion was set in 2013. The sector</p>	<p>Food manufacturing is a highly productive and export intensive sector in Manitoba. The addition of new federal meat processing capacity</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 2016/17 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
	processing in Manitoba (versus shipping raw commodities) creates jobs and additional wealth.			has increasingly depended on export markets, with 59% of its sales from exports in 2016, compared to 34% in 2011. The sector has created approximately 2,000 more jobs than 3 years ago.	is expected to improve sector's manufacturing output. Recession and slow economic recovery in the U.S. saw exports decline from Manitoba, but exports have recently started to rebound as the U.S. economy has rebounded. 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. However, lower-cost foreign suppliers are a threat to Manitoba and Canadian processors in the world food market.

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 2016/17 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
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 commodities. Additional processing in Manitoba (versus shipping raw commodities) creates jobs and additional wealth.	2010: \$1,000 million	There are no recent statistics but it is believed sales have increased only slightly over 2010 levels. More significant growth is expected with the commissioning of two industrial hemp processors scheduled for later in 2017.	<p>The sector value measurement counts sales of industrial bioproducts made of biobased feedstock from agriculture, 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.</p> <p>It is anticipated that ag-based bioproducts will continue to grow in coming years, with two fibre processing operations coming online soon and several others in the development.</p>	Statistics will be drawn from a national bioproduct survey planned for 2017 as well as the industry survey currently being conducted by the Food and Agri-Product Processing Branch.
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	In 2013/14 provided the Food Development Centre (FDC) with funding of more than \$2 million for agri-food	Continued support for FDC with funding of more than \$2 million for agri-food innovation,	No trend yet established. <i>Note: A lag time will exist between</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 2016/17 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
	profitability, new products, competitiveness and additional economic activity.	<p>innovation, development and commercialization:</p> <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. ▪ 9 HACCP plans developed, 5 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></p>	<p>development and commercialization:</p> <ul style="list-style-type: none"> • 6 new products produced in the pilot plant. • 34 new food product and ingredient prototypes were created for retail or foodservice test marketing. • 294 nutrition labels for food products created. • 11 HACCP plans developed, 25 revised and 6 consultations. <p>Total approved GF2 investments in innovation were \$15.97million in 2016/17 with total GF2 approved funding for all programs being \$174 million.</p> <p>The Commercialization Support for Business (CSB) program funded investments</p>	<i>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 2016/17 result (current year) or most recent available data? (D)	What is the trend over time? (E)	Comments /Recent Actions/Report Links(F)
		The Commercialization Support for Business (CSB) program funded investments totaling more than \$216,000 for rural and agribusinesses.	totaling \$272,333 for rural and agribusinesses in 2016/17.		
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 Processing 2008: 9,366 jobs (source: MBS)	Primary Agriculture 2016: 24,300 jobs Food Processing 2016: 10,349 jobs (source: MBS)	The number of jobs in primary production have decreased over the years, mainly due to increased farm size and advancement of agricultural technologies, requiring fewer people to run farm operations. The food processing sector has created approximately 2,000 more jobs than the year 2013, as the sector grows slowly but steadily.	

Appendix J

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 the Food Development Centre for the fiscal year 2016/17:

Information Required Annually (per Section 18 of The Act)	Fiscal Year 2016/2017
The number of disclosures received, and the number acted on and not acted on. <i>Subsection 18(2)(a)</i>	NIL
The number of investigations commenced as a result of a disclosure. <i>Subsection 18(2)(b)</i>	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. <i>Subsection 18(2)(c)</i>	NIL

Appendix K

Sustainable Development Integration

Under *The Sustainable Development Act*, government departments are required to report progress made in incorporating sustainable development into activities. The section below outlines the activities of Manitoba Agriculture for 2016/17.

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 aims 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 closely 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 2016/17 to support the principles and guidelines of sustainable development. For more

details on the departments' activities and results, please refer to Section 2, 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.

Agro-Ecosystems, Land and Water Management

The department had many activities that related to the sustainable development, use and protection of Manitoba's agro-ecosystems including air, land and water. Below are some examples of the many activities the department undertook.

- Developed an ecological goods and services program framework and relevant consultation documents that will help to reduce flooding, improve water quality and nutrient management in collaboration with Sustainable Development.
- Conducted research activities related to manure use and treatment:
 - a. Participated in five Manitoba Livestock Manure Management Initiative board meeting and an additional five sub-committee meetings. Department staff developed four Request for Proposals, reviewed all funding proposals and seven final research reports, and participated on two literature review steering committees.
 - b. Collected on-farm dairy manure production data to support Manitoba-based estimates of manure storage capacity for dairy operations.
 - c. Conducted a technical, economic and social evaluation of the only on-farm dairy manure anaerobic digestion (AD) system located at Sweetridge Farms in Winkler. The AD system was decommissioned in November 2016. This evaluation was completed in cooperation with Manitoba Hydro and Prairie Agricultural Machinery Institute.
- Participated in more than 30 extension appearances promoting nutrient and water management in order to decrease phosphorus loss in runoff from agricultural land.
- Provided technical support to Assiniboine Community College for the delivery of the Manure Management Planners' Course and the Commercial Manure Applicators' Course. Registration numbers were below the threshold required for the delivery of the workshops in 2016/17.
- Provided technical support for 22 extension events related to soil quality, soil conservation or management.
- Participated in the development and delivery of a session at the Manitoba Planning Conference for municipal councils on livestock and water quality.
- Provided technical support to producers to assist with drainage licensing.
- Provided technical support for one on-farm study of surface and subsurface water management to mitigate drought and flooding risks and reduce nutrient loads to surface water.
- Developed two new extension publications on climate based risks and increased adaptive capacity and another on trends in agricultural Green House Gas emissions.

- Completed revisions and updates to Farm Practice Guidelines and Environmental Farm Plan workbook.
- Provided technical support for 10 applications for new and expanding livestock operations, completed nine land assessments, and attended one open house and three conditional use hearings.
- Refined the land calculator for pig operations.
- Provided technical support to Indigenous and Municipal Relations for the development of Technical Review Committee forms, policies, and processes.
- Provided additional technical support regarding siting, building codes, and manure regulations to three dairy farms looking to expand.
- Utilized the innovative environmental benefits assessment index in order to assess environmental project proposals and target funding to projects with the highest anticipated environmental benefits.
- Provided support for the development of a literature review on the value of ecological goods and services originating from grasslands.
- Participated in Integrated Watershed Management Planning through review and provision of technical information for the following: Cooks Creek, Whitemud River, Boyne Morris, Roseau River, East Souris, Netley Grassmere and Pembina River watersheds.
- Provided technical support for Best Management Practices programming and proposal development. Promoted and delivered GF2 programs (Growing Assurance – Environment and – Ecological Goods and Services).
 - Provided financial and technical support for five improved manure storage projects under the Manure Management Financial Assistance Program.
 - Facilitated 59 Environmental Farm Plan workshops attended by 280 producers resulting in 116 Statements of Completion being issued
 - Secured federal funding to collaborate on species at risk programming with Manitoba Habitat Heritage Corporation.

Soil and Ag Weather Surveillance

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:

- Completed maps for Rural Municipality (RM) of Cornwallis on dryland agricultural capability, suitability for general irrigation, suitability for irrigated potato production, surface texture, drainage, erosion, topography, stoniness and salinity, in addition to six soil series map sheets (one for each township) and six dryland agricultural capability map sheets. Completed a draft report for the RM of Daly.
- Completed 1,691 soil pits and assigned soil names for RM of Whitehead.
- Completed maps and named 1,515 soil polygons RM of Cornwallis. Soil polygons, attribute data and statistics in the RM of Daly is in progress.

- Installed sensors and improved data handling capacity in the departments' Agricultural Weather Network.
 - Installed 15 new weather stations and upgraded 17 existing weather stations with new hardware and software.
 - Each weather station monitors, wind, solar radiation, temperature and humidity, precipitation and soil temperature.
 - Installed soil moisture probes at 5 and 20 cm at 78 weather stations.
- Provided weather and climate information to projects assessing variety adaptation, crop diseases, weeds and insect management and crop yields.
- Produced maps weekly from May to October 2016 to provide information on;
 - total and per cent of normal precipitation,
 - total and per cent of normal growing degree days
 - total and per cent of normal corn heat units
 - summarized weather report per weather station.
- Weather data supported daily forecasts for fusarium head blight, the potato late blight and the Winter Wheat Survival Model.
- From January to December 2016, the following number of views below occurred for the top five Manitoba Ag Weather Program internet pages.

Web page	# of views Jan to Dec 2016
Current weather conditions	29,881
Current conditions summary	18,403
Weather – main landing page	14,404
Weather conditions and reports	11,972
Crop Residue Burning	11,154

- Produced three webinars, five extension meetings and a Yield Manitoba article in the Manitoba Co-operator to summarize seasonal weather conditions.
- Generated information on fall soil moisture levels for agronomic decision-making and flood-prediction modelling.
 - Produced a Fall Soil Moisture Survey which was a one-time soil moisture sampling in the last week in October and the first week in November (prior to freeze up) from the top zone (defined as 0 – 30 cm) and the sub zone (30-120 cm).
 - Installed soil moisture sensors at weather stations to record soil moisture (5 and 20 cm) and soil temperature and to record the freeze-thaw cycle in near real time according to soil texture.
- Led four holistic management demonstration projects at Manitoba Beef and Forage Initiative. Two of the projects focused on polycropping, a third project evaluated the benefits of short, intensive periods of managed grazing and the fourth project investigated how grazing systems can add organic carbon to the soil and potentially reduce carbon emissions.

Land Use

Sustainability requires maintaining the balance between the needs for land for agricultural development with the amount of land available. The department continued to provide input into agricultural land use planning on private, agricultural and Crown and traditional lands. Examples of the department's input are included below.

- Reviewed and tracked 392 subdivisions in designated agricultural areas (written comments provided for 365 of 392). Participated in 25 meetings with councils, planning districts and consultants.
- Provided input on policies and provisions for development on 121 municipal development plans, secondary plans, zoning by-laws, annexations, and 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 two Development Plan Technical Advisory Committees (RM of Hanover, Whitehorse Plains Planning District) to ensure that rural development occurs in a planned, balanced, and sustainable manner to maximize economic benefit and minimize land use conflicts.
- Supported the community pasture program through the Association of Manitoba Community Pastures (AMCP), which grazed 24,684 adult cattle and 17,957 calves totaling 42,641 animals. Added nine new pastures to AMCP bringing the total compliment to 20 pastures being operated. Continued sustainable land management of the pastures in partnership with Agriculture and Sustainable Development.
- Provided training through The Range Implementation and Management Group, (RIMG) to pasture managers on using a Grazing Monitoring Index (GRI) tool to promote sustainable management.
- Generated \$1.76 million in taxes from Agricultural Crown Land leases and made available to rural municipalities.
- Advertised 528 parcels (69,462 acres) of Agricultural Crown land for lease in 2016 with 419 parcels (~55,000 acres) allocated to clients. Program monitoring resulted in 19 forage leases (15,089 acres) and a cancellation of one cropping lease (118 acres) due to compliance issues.
- Provided forage production and program extension to clients on an ongoing basis.
- Maintained agricultural use on acquired Crown land in the Shoal Lakes region through the allocation of forage leases and permits. Advertised 198 parcels (27,590 acres) and allocated 192 parcels (26,714 acres).
- Fulfilled provincial Treaty Land Entitlement obligations through making available 2,624 acres of Agriculture Crown Lands selected by First Nations.

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.

- Established successful collaborative approaches to complex inter-jurisdictional issues The One Health Steering Committee (OHSC). It continues to advance the cross-departmental efforts on a variety of important issues pertaining to human and animal health and welfare.
- Undertook joint disease control initiatives for diseases such as Anaplasmosis, Anthrax and Chronic Wasting Disease (CWD).
- Developed one of the most efficient provincial rabies programs across the country. The Rabies Working Group conducted risk assessments for all reported suspect rabies exposures and collected 158 samples for rabies testing, 12 samples tested positive requiring post-exposure management
- According to department risk-based inspection policy, high-risk facilities require up to three routine inspections per year. Directed eighty-one per cent of the department's routine inspections of food processing plants to plants in this risk category. Plants in this category include meat processing, dairy plants and other potentially hazardous activities.
- Issued daily authorizations for Crop Residue Burning based on regional analysis of wind speed, direction and temperature/wind inversion in order to minimize human and animal exposure crop residue burning. A total of 270 permits were issued.

APPENDIX L

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, 2016

	2016	2015
Balance, beginning of year	\$547,328.94	\$544,269.48
Interest earned	\$3,007.21	\$3,059.46
Deposits	-	-
Claims and disbursements	-	-
Change during the year	\$3,007.21	\$3,059.46
Balance, end of year	\$550,336.15	\$547,328.94