

Agriculture, Aquaculture and Fisheries

Annual Report
2017–2018

Agriculture, Aquaculture and Fisheries
Annual Report 2017-2018

Province of New Brunswick
PO Box 6000, Fredericton NB E3B 5H1 CANADA

www.gnb.ca

ISBN 978-1-4605-1947-9 (bilingual print edition)
ISBN 978-1-4605-1948-6 (PDF: English edition)

ISSN 1929-8242 (Bilingual print edition)
ISSN 2369-3908 (PDF: English edition)

12038 | 2018.11 | Printed in New Brunswick

Transmittal letters

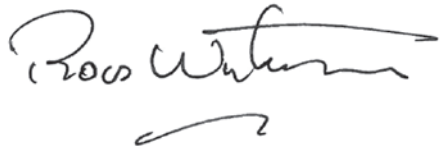
From the Minister to the Lieutenant-Governor

The Honourable Jocelyne Roy Vienneau
Lieutenant-Governor of New Brunswick

May it please your Honour:

It is my privilege to submit the annual report of the Department of Agriculture, Aquaculture and Fisheries, Province of New Brunswick, for the fiscal year April 1, 2017, to March 31, 2018.

Respectfully submitted,



Honourable Ross Wetmore
Minister

From the Deputy Minister to the Minister

Honourable Ross Wetmore
Minister of Agriculture, Aquaculture and Fisheries

Sir:

I am pleased to be able to present the annual report describing operations of the Department of Agriculture, Aquaculture and Fisheries for the fiscal year April 1, 2017, to March 31, 2018.

Respectfully submitted,



Cathy LaRochelle
Deputy Minister (Acting)

Table of contents

Minister's message	1
Deputy Minister's message	2
Strategic priorities	3
Highlights	4
Performance measures	5
Overview of departmental operations	12
Financial information	18
Summary of staffing activity	19
Summary of legislation and legislative activity	20
Summary of Official Languages activities	22
Summary of recommendations from the Office of the Auditor General	23
Report on the <i>Public Interest Disclosure Act</i>	24

Minister's message

New Brunswick's agriculture, aquaculture and fisheries sector is vitally important to thousands of New Brunswickers and their families who earn their living on the farm, on the water, or at one of our many production facilities. First Nations, rural, and coastal communities thrive when these sectors thrive.

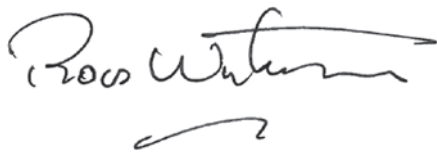
Last year, New Brunswick continued to have Atlantic Canada's highest farm cash receipts and the international demand for New Brunswick's seafood products continued to grow, with exports reaching a record high of \$1.7 billion last year.

These are promising trends and are a result of the hard-work and ingenuity of our farmers, fishermen and women, and our agri-food producers. Congratulations to them on their success.

Our government will work to build on this momentum through focused policy decisions based on facts. We will work to ensure all New Brunswickers are able to have a job they love, come home to the people they love, in a community they love.

Thank you to the deputy minister and staff of the Department of Agriculture, Aquaculture and Fisheries who have accomplished a great deal over the past year. They have delivered on several important priorities. Their expertise, commitment and professionalism is much appreciated.

Growing our agriculture, aquaculture and fisheries sectors is fundamental to our path to a better tomorrow in New Brunswick. I look forward to working with our industry and stakeholders to ensure this upward trend continues.

A handwritten signature in black ink, appearing to read "Ross Wetmore". The signature is fluid and cursive, with a long horizontal stroke at the end.

Honourable Ross Wetmore
Minister of Aquaculture and Fisheries

Deputy Minister's message

The Department of Agriculture, Aquaculture and Fisheries is committed to working with industry and stakeholders to support the growth of our sectors including identifying opportunities to increase export, domestic and local markets and improve the competitiveness of our industries. These sectors are vital to New Brunswick's economic growth and employment, particularly in coastal and rural communities throughout the province.

We have delivered on several of our priorities over the past year. The department negotiated and signed two federal-provincial agreements focused on sustainable growth, innovation and competitiveness in these sectors. The Atlantic Fisheries Fund and the Canadian Agricultural Partnership each secured \$37 million in multi-year support for the agrifood, fish and seafood sectors. In addition to this, the unveiling of the *New Brunswick Shellfish Aquaculture Development Strategy 2017-2021* and the revitalization of the *Fisheries Renewal Framework* will help position these industries for future growth.

Sustained efforts towards diversification in our export markets for fish and seafood, combined with support for industry participation in seafood and aquaculture trade initiatives within key markets in the United States, Asia and Europe, is producing strong results.

In the agrifood sector, we increased efforts to support new entrants to the farming community with tools such as Site Suitability Maps, A Road Map for New Entrants and the New Brunswick Community Pasture Development Initiative. Working with our partners, we continued to develop the *Local Food and Beverage Strategy* that is focused on developing awareness of the local foods available to New Brunswickers, improving the availability of local products and improved support for local producers. Staff members worked closely with all commodity groups to support their growth, competitiveness and open new markets.

Our department remains committed to supporting the agricultural, fisheries and aquaculture sectors that provide employment to tens of thousands of New Brunswickers. Our staff members demonstrate a high-level of professionalism, dedication and passion for the work that they perform.

As we did in 2017-2018, we continue to remain focused on performance measures to ensure New Brunswick benefits from our resources while ensuring a sustainable, healthy future.



Cathy LaRochelle
Deputy Minister (Acting)

Strategic priorities

Strategy management

The Government of New Brunswick (GNB) uses a Formal Management system built on leading business practices to develop, communicate and review strategy. This process provides the Public Service with a proven methodology to execute strategy, increase accountability and continuously drive improvement.

The development of the strategy, using the Formal Management system, starts with a strategic vision to move New Brunswick forward. This vision is anchored in five priority areas:

- *Jobs* – Creating the best environment for jobs to be generated by New Brunswickers, by businesses, by their ideas, by their entrepreneurial spirit, and by their hard work. Growth efforts will be guided by the *New Brunswick Economic Growth Plan*, which focuses on strengthening the workforce; expanding innovation capacity; increasing the agility of government; fostering public and private investment in strategic infrastructure; and growing capital investment from the private sector.
- *Education* – Improving education as guided by two 10-year plans, *Everyone at Their Best* for the anglophone sector and *Donnons à nos enfants une longueur d’avance* for the francophone sector, that identify objectives for the early learning and education system and establish clear expectations for standards and performance. The areas of focus are: ensuring children and other learners develop the competencies they need to be successful in school and life; improving both literacy and numeracy skills for all learners; and working to make post-secondary education more accessible and affordable.
- *Families* – Creating a healthier and stronger New Brunswick by focusing on seven key areas: improving access to primary and acute care; promoting wellness; supporting those with mental health challenges; fostering healthy aging and support for seniors; advancing women’s equality; reducing poverty; and providing support for persons living with a disability.
- *Federal and Aboriginal Relations* – Building stronger relationships with First Nations; strengthening action on climate change; and working with the federal government to maximize federal funding, including optimizing infrastructure funding and growing the workforce through immigration.
- *Smart Province* – Providing taxpayers with better value for their money by transforming the culture of government by eliminating duplication; adopting new innovations in technology to improve services and savings; and ensuring GNB has a ready workforce that has the skills, training, support, leadership and working environments it needs to thrive.

Highlights

During the 2017-2018 fiscal year, the Department of Agriculture, Aquaculture and Fisheries focused on these strategic priorities through:

- Leading wild blueberry development as an economic development opportunity through the *New Brunswick Economic Growth Plan*.
- Negotiating the *Canadian Agricultural Partnership*, a new five-year federal/provincial cost-shared agreement to drive sustainable growth, innovation and competitiveness in the New Brunswick agriculture sector.
- Unveiling the *New Brunswick Shellfish Aquaculture Development Strategy 2017-2021* to promote the growth of New Brunswick's shellfish aquaculture industry.
- Supporting the implementation of the *Atlantic Fisheries Fund*, a new seven-year federal/provincial cost-shared agreement to transform and drive innovation in the NB fish and seafood sector.
- Restoring the Minister's Round Table on Fisheries and renewing the *Fisheries Renewal Framework*.
- Supporting industry participation in aquaculture and seafood trade initiatives across American, European and Asian markets, resulting in New Brunswick's global seafood exports rising by \$120 million (8 per cent) to reach \$1.7 billion, the second highest in Canada.
- Launching a new *Client Relationship Management System* to enable the department to better support new entrants and existing enterprise by assigning teams of varying expertise focused on new entrants, business development and economic growth.
- Finalizing the Certificate of Health for Transfer with New Brunswick's Atlantic counterparts, which outlines a harmonized fish health testing framework for the movement of fish between the four Atlantic provinces.
- Providing \$12 million in support to the agriculture, aquaculture and fisheries sectors through various programs.
- Supporting the development and/or implementation of strategies for the apple, cranberry, maple, grape, organic, dairy and pork sectors.

Performance measures

Jobs	Measures
Enable sector growth in the agriculture, aquaculture (shellfish and finfish), and fisheries sectors.	Increase in wild blueberry exports.
Enable sector growth in the agriculture, aquaculture (shellfish and finfish), and fisheries sectors.	Number of innovation projects completed.
Improve support for new and expanding food and beverage enterprises.	Supplying public institutions with local food (schools).
Families	Measures
Improve awareness of and access to local food and beverages.	Growing awareness of the Buy NB initiative.
Smart Province	Measures
Balance budget.	Actual to budgeted expenditures.
Balance budget.	Actual to budgeted revenues.

Jobs

Objective of the measure

Enable sector growth in the agriculture, aquaculture (shellfish and finfish), and fisheries sectors.

Measure

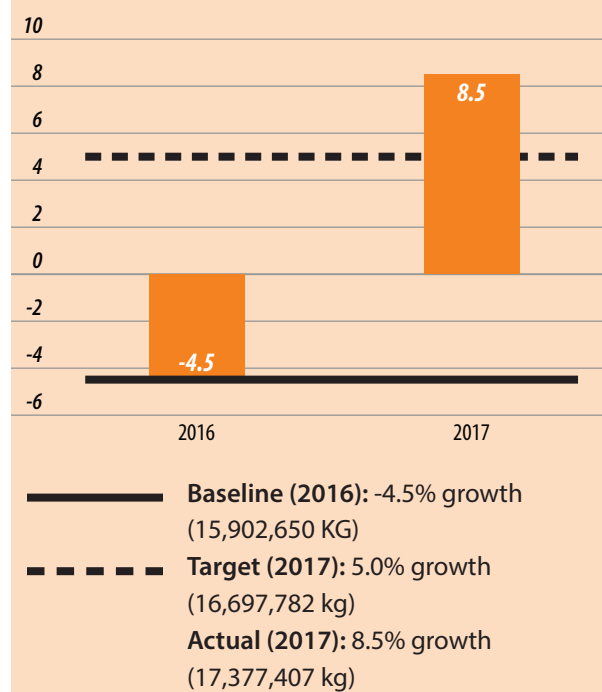
Increase in wild blueberry exports (kg).

Description of measure

This measure uses the total amount of wild blueberries (kg) exported to international markets (USA, EU, Asia, etc.) by calendar year, to capture the annual improvement rate for New Brunswick's wild blueberry exports.

Overall performance

The volume of NB wild blueberries that was exported internationally grew by 8.5 per cent in 2017 compared to 2016.



Why do we measure this?

The wild blueberry sector has been identified as a priority area of economic growth for the province, given its potential for creating new companies and new jobs in New Brunswick. Diversification and growth of wild blueberry export volumes are a means to increase the demand and revenue of the entire wild blueberry sector.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

To support growth opportunities in the wild blueberry sector, the department has been working to diversify in international markets. In 2017-2018, department efforts focused on developing new markets for frozen wild blueberries in Europe and Asia. Targeted and sustained in-market missions and promotions were organized by department staff members, which contributed to increased growth of New Brunswick's wild blueberry export volumes.

Jobs

Objective of the measure

To enable growth in the agriculture, aquaculture (shellfish and finfish) and fisheries sectors through the support of innovation projects.

Measure

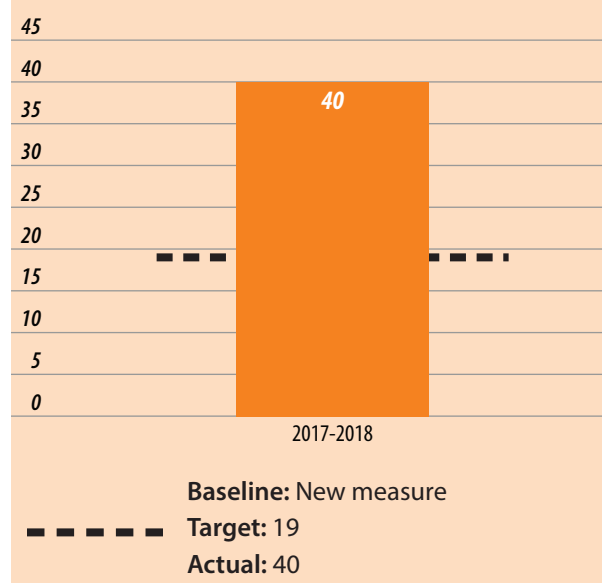
Number of innovation projects completed.

Description of measure

Tracking of the number of innovation projects funded in whole or in part by the department, for the agriculture, aquaculture and fisheries sectors in New Brunswick.

Overall performance

The target for number of innovation projects completed was significantly exceeded.



Why do we measure this?

These project numbers represent the provincial funding contributed and the additional dollars leveraged to support the New Brunswick agriculture, aquaculture and fisheries sectors to enable growth and future economic development.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

During the 2017-2018 fiscal year, 28 new agriculture innovation projects were funded through the federal/provincial cost-shared Growing Forward 2 Initiative (Enabling Agricultural Research and Innovation program). A total of \$603,721 in funding was provided for these projects, which had an overall value of \$4.5 million. In addition to new projects, \$1.2 million in funding was provided to 41 ongoing multi-year projects. The total value of these projects was \$5.5 million. For the fisheries and aquaculture sector, 12 innovation projects were funded through the Total Development Fund. A total of \$221,014 was provided for these projects which were valued at \$1.2 million.

Jobs

Objective of the measure

Improve support for new and expanding food and beverage enterprises.

Measure

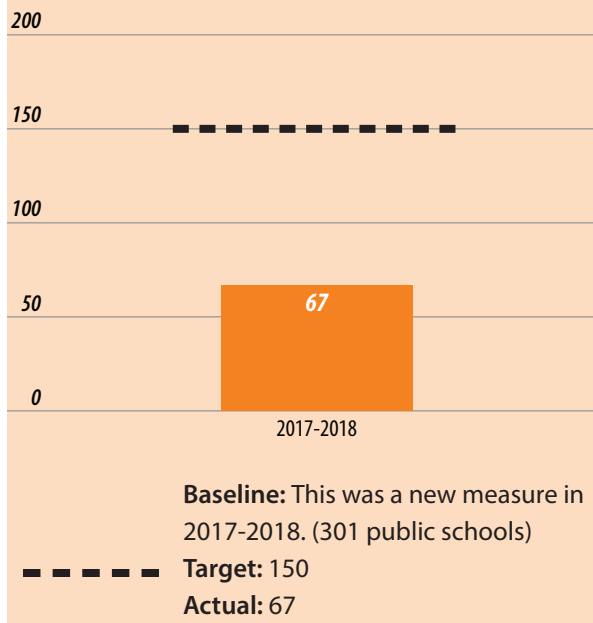
Supplying public institutions with local food (Phase 1 - schools).

Description of measure

Cooperation in Agri-Food NB (CANB) was established to provide the procurement, transformation and distribution of local agri-food products for schools in New Brunswick.

Overall performance

Although the department didn't reach its target, strong progress was made in supplying public schools with local food.



Why do we measure this?

This measure demonstrates the number of schools incorporating local foods in their cafeteria operations. This information will help the department progress toward its long-term target of having a minimum of 30 per cent local food in public schools. According to a report commissioned by the department, if all schools in New Brunswick were buying 30 per cent of their food locally, that would translate into more than \$29 million in sales and would generate 310 full-time equivalent jobs.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department supported the establishment of CANB by funding the development of a business plan and providing other assistance. The department also assigned a project executive to work with CANB to assist with necessary connections between food producers and cafeteria providers, and to provide feedback on direction and other support services to the organization during its first year of operation.

Families

Objective of the measure

Improve awareness of and access to local food and beverages.

Measure

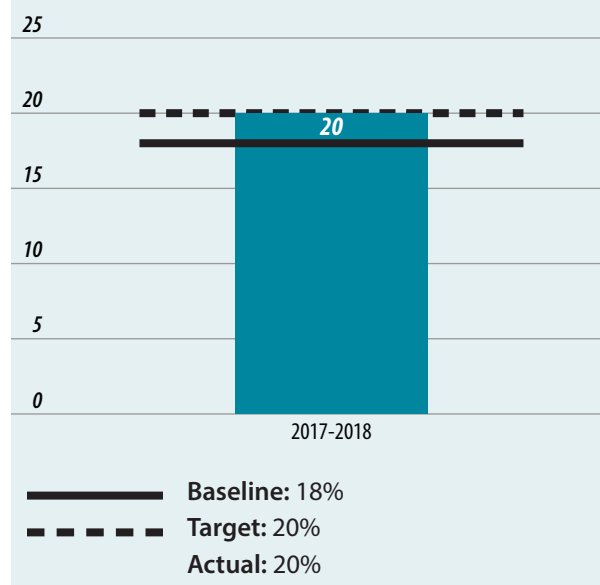
Growing awareness of the Buy NB initiative.

Description of measure

This measure tracks responses to an annual survey, asking the question: "Before today, were you aware of the Buy New Brunswick initiative of the Government of New Brunswick?"

Overall performance

Overall, the trend is positive, with the number going from 18 per cent to 20 per cent. The annual survey will be repeated in Fall 2018.



Why do we measure this?

This measure demonstrates the general public's awareness of the Buy NB initiative and its components. This helps in our efforts to encourage New Brunswickers to buy more New Brunswick-grown products, as it helps them know what is produced in New Brunswick, when it is available, and what you can do with the products.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department undertook an annual summer promotional tour and maintained a strong social media presence on Facebook, Twitter and Instagram. During 2017-2018, the department also developed and distributed helpful promotional tools such as a local food availability chart and a calendar featuring recipes made using New Brunswick ingredients.

Smart Province

Objective of the measure

Reduce expenditures.

Measure

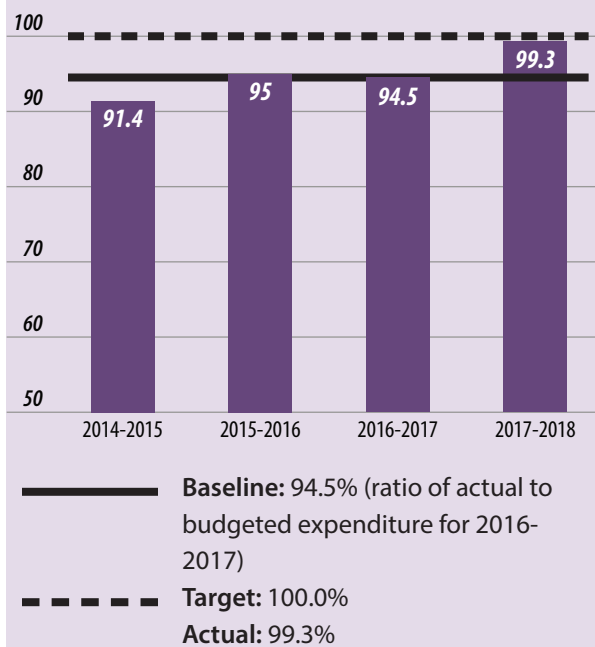
Ratio of actual to budgeted expenditures.

Description of measure

The ratio measures whether the department is over-budget or under-budget on expenditures. The ratio will exceed 100 per cent when expenditures are over-budget and be less than 100 per cent when under-budget.

Overall performance

The department was under-budget on ordinary expenditures by \$248,200.



Why do we measure this?

This indicator measures the ability of the department to manage its overall expenses as compared to its budget. The department must ensure expenses are managed in accordance with the budget and be prepared to take corrective action if expenses are projected to be over-budget during the year.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department realized some savings mainly from an under-expenditure related to less than anticipated demand under the agriculture insurance program, which was partially offset by an over-expenditure related to rabies vaccine purchases and veterinary field services.

Smart Province

Objective of the measure

Balance budget.

Measure

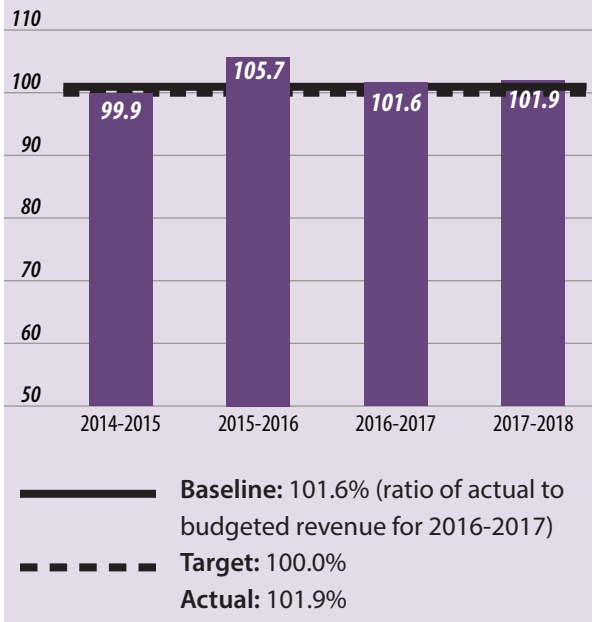
Ratio of actual to budgeted revenue.

Description of measure

The ratio measures whether the department is over-budget or under-budget on revenue. The ratio will exceed 100 per cent when revenue has exceeded budget and be less than 100 per cent when revenue has not achieved budget.

Overall performance

The department's ordinary revenue was above budget by \$198,600.



Why do we measure this?

This measure shows whether the department is accomplishing the projected revenue that is tabled at the beginning of the fiscal year.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

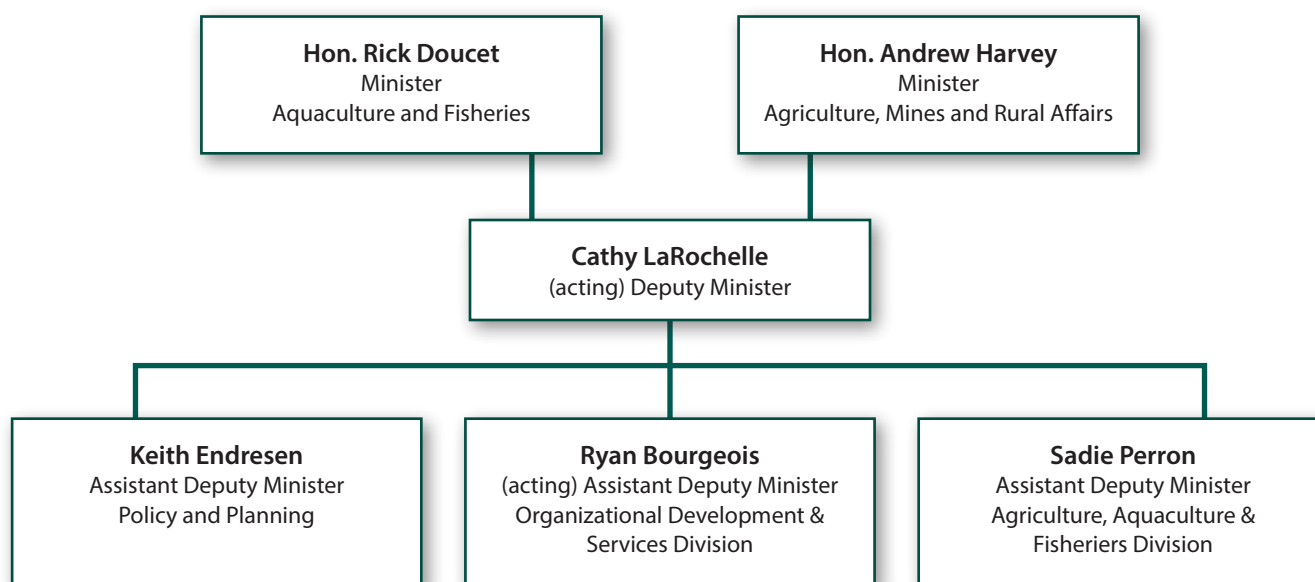
The department reached 101.9 per cent of the ordinary revenue budget mainly due to higher than anticipated demand for veterinary services.

Overview of departmental operations

The mandate of the Department of Agriculture, Aquaculture and Fisheries is to develop and implement a total development approach for the agriculture, aquaculture, fisheries and value-added sectors. This approach

aims at improving the economic competitiveness and sustainable development of these sectors and related industries.

High-level organizational chart



Division overview and highlights

The department delivers targeted programs and services and provides strategic direction in support of economic development opportunities related to the sustainable primary and value-added agriculture, aquaculture and fisheries sectors.

Please note that the budget and expenses for the common administration of the Departments of Energy and Resource Development and Agriculture, Aquaculture and Fisheries are recorded in the annual report for the Department of Energy and Resource Development 2017-2018. The common administration applies to the Policy and Planning Division and the Organizational Development and Services Division.

Agriculture, Aquaculture and Fisheries Division

The Agriculture, Aquaculture and Fisheries Division consists of four branches: **Agriculture; Fisheries and Aquaculture; Marketing and Trade;** and **Business Growth.**

The **Agriculture Branch** works with the crop and livestock sectors to improve profitability, competitiveness and sustainability through the provision of technical advisory services; provision of strategic and innovative research and monitoring; provision of animal health services; and development and implementation of strategic sector initiatives and programs to support economic development and growth. The Agriculture Branch is composed of four sectoral branches: the Animal Health

Services Branch, the Crop Sector Development Branch, the Livestock Development Branch and the Potato Sector Development Branch.

Financial Information

2017-2018 Budget \$9,624,500

2017-2018 Actual \$11,129,200

2017-2018 Variance \$1,504,700

HIGHLIGHTS

- ◆ *To drive sustainable growth, innovation and competitiveness in the New Brunswick agriculture sector, a new five-year federal/provincial cost-shared agreement - the Canadian Agricultural Partnership - was announced. A total of \$37 million is available over the five-year period to fund strategic cost-shared initiatives promoting innovation, research, competitiveness, market development and risk management, while also giving new attention to initiatives related to public trust, climate change, value-added agriculture, and agri-food processing. The partnership also includes several business risk-management programs to ensure farmers are protected against severe market volatility and unforeseen natural disasters.*
- ◆ *Wild blueberry development is identified as an economic development opportunity through the New Brunswick Economic Growth Plan. The initiative built on previous targeted efforts that resulted in more Crown land being available for wild blueberry development and production. To handle increased field production levels, one of the goals of the initiative was to increase primary processing capacity within New Brunswick by 10 per cent. Through the opening of a new processing plant, capacity increased four to fivefold, and in-province wild blueberry specific storage capacity increased tenfold. With expanded capacity in place, the focus turned to driving export markets to help reduce increased inventory levels. Preliminary results on exports show that New Brunswick's frozen wild blueberry exports rose overall, with exports to China increasing by 190 per cent by volume in 2017 compared to 2016. Similar exports to Europe increased by 47 per cent over the same time, representing a total of 3.8 million kilograms to these two areas.*
- ◆ *Further support to the wild blueberry sector was provided through the continued implementation of the 2013-2018 New Brunswick Wild Blueberry Sector Strategy. Key initiatives included organizing a session between New Brunswick blueberry growers and regional processors to improve communications and relationships, investing money into blueberry road infrastructure, and marketing initiatives both locally and internationally.*
- ◆ *The apple sector in New Brunswick has great growth potential and has been transitioning to higher value varieties. To assist in the transition, the department has been supporting the sector through strategy development and implementation funding, an Apple Industry Development Program (to enable the establishment of high density orchards to increase the yield per acre and reduce operating costs), wildlife damage mitigation funding, and technical/research support.*
- ◆ *The potato sector in New Brunswick experienced significant growth from 2016 to 2017. The department supported this growth through its participation in the New Brunswick Potato Industry Transformation Initiative and by providing technical support to the sector. According to the 2017 Potato Acreage Registration, seeded area increased by 12.9 per cent to 52,225 acres in the province. The most recent figures released by Agriculture and Agri-food Canada indicate that potato farm gate receipts in New Brunswick rose by 12.8 per cent to \$153.5 million in 2017.*
- ◆ *During 2017, the department provided \$150,000 in funding support to the six New Brunswick Community Pastures, with the aim of increasing stocking rates and producer participation. The total number of cattle grazing on the pastures increased to 2,231 (an increase of 18 per cent total cattle since the inception of the project in 2016), while the number of individual producers providing cattle increased to 70 (an increase of 22 per cent since the inception of the project). New Brunswick's beef industry generates \$30 million in sales annually (8-10 per cent of the farm gate value for livestock).*
- ◆ *The department helped to support growth in the dairy sector through its involvement in programming and technical support. The New Brunswick dairy industry grew, with producers receiving a quota increase of more than 10 per cent, which resulted in increased revenue of over \$12 million.*

- ◆ Department veterinarians completed 8,969 on-farm visits to support the health and development of the livestock industry. Department veterinarians were supported by the provincial veterinary laboratory with diagnostic work.
- ◆ The department led and coordinated the distribution of 539,000 oral rabies vaccine baits through aerial and hand distribution in southwestern and western New Brunswick. In collaboration with the University of New Brunswick and the Department of Energy and Resource Development, the department undertook a raccoon population density study in southern New Brunswick to provide information to help guide the ongoing annual New Brunswick rabies surveillance and oral vaccine bait control program.
- ◆ The department supported the development and/or implementation of strategies for the apple, cranberry, maple, grape, organic, dairy and pork sectors.

The **Fisheries and Aquaculture Branch** provides specialist advice and extension services to promote and foster the growth and competitiveness of the fisheries and aquaculture sectors. The branch provides services and programs focused on maintaining sustainable practices that produce safe, high quality seafood products. The Fisheries and Aquaculture Branch includes five sectoral branches: the Commercial Fisheries Branch, the Aquaculture Development Branch, the Aquaculture Science Branch, the Fish Health Branch and the New Brunswick Aquarium and Marine Centre.

Financial Information

2017-2018 Budget \$4,122,700

2017-2018 Actual \$3,955,900

2017-2018 Variance (\$166,800)

HIGHLIGHTS

- ◆ In March 2017, the federal government announced the creation of the Atlantic Fisheries Fund (AFF) – a program aimed at transforming and driving innovation in the fish and seafood sector in the areas of innovation, infrastructure, and science partnerships. The department signed the AFF Agreement in August 2017 and secured a total provincial investment of \$37.9 million over the seven years of the program.

- ◆ The department took a significant leadership role in federal/provincial/territorial (FPT) forums pertaining to fisheries and aquaculture. As the co-chair of the Canadian Council of Fisheries and Aquaculture Ministers' (CCFAM) Strategic Management Committee (SMC), the department provided leadership and strategic advice to Ministers in support of the development and implementation of coordinated FPT policies, regulations, and programs that support the Canadian aquaculture sector. The department also co-chaired several subcommittees under the SMC umbrella, notably the Legislative and Regulatory Working Group, and the CCFAM Aquaculture Development Strategy.
- ◆ The department restored the Minister's Round Table on Fisheries (MRT), a forum that allows government and the fishing and seafood processing industry to dialogue on a regular basis on important issues affecting the sector. The Fisheries Renewal Framework was renewed and work on a three-year action plan under the framework was initiated.
- ◆ The department renewed a five-year agreement with the Coastal Zone Research Institute to conduct aquaculture and fisheries research activities.
- ◆ The department released the New Brunswick Shellfish Aquaculture Development Strategy 2017-2021, which includes a focus on sustainable development and marketing activities for supporting a 60 per cent growth in the oyster sector over a five-year period. The New Brunswick Shellfish Technical Committee was established under this umbrella.
- ◆ Working with its Atlantic counterparts, the department finalized the Certificate of Health for Transfer, which outlines a fish health testing framework for the movement of fish between the four Atlantic provinces.

The **Marketing and Trade Branch** provides strategic delivery and coordination of marketing and trade initiatives. This includes facilitation of increased local, domestic and international New Brunswick seafood and agrifood sales. Key initiatives include the implementation of the *Local Food and Beverages Strategy*, leading in seafood/agrifood export market development, market intelligence and other related activities.

Financial Information

2017-2018 Budget \$1,947,000
2017-2018 Actual \$1,655,200
2017-2018 Variance (\$291,800)

HIGHLIGHTS

- ◆ *The department supported industry participation in aquaculture and seafood trade initiatives across American, European and Asian markets, resulting in New Brunswick's global seafood exports rising by \$120 million (8 per cent) to reach \$1.7 billion, the second-highest in Canada. Focus was given to attendance at priority tradeshows within key markets, with participation by 33 companies at 10 trade events.*
- ◆ *Multiple trade events and in-market promotions took place which focussed on New Brunswick products. In 2017, New Brunswick products were part of 12 incoming and outgoing trade missions and promotional events. Successful multisector missions also contributed to the increased awareness and promotion of New Brunswick products.*

The **Business Growth Branch** provides strategic delivery and coordination of development initiatives to support clients, including new entrants. The branch is also responsible for fostering the growth of existing businesses looking at expansion, modernization or diversification within the agriculture, aquaculture and fisheries sectors. Business growth officers are the liaison to programs, including extension services, offered by the department or various other partners.

Financial Information

2017-2018 Budget \$1,252,400
2017-2018 Actual \$1,041,500
2017-2018 Variance (\$210,900)

HIGHLIGHTS

- ◆ *Implemented a Client Relationship Management System, which enables data driven support to the agriculture, aquaculture and fisheries sectors. This allows the department to take a holistic approach in support of new entrants and existing enterprises, by assigning teams of varying expertise focused on new entrants, business development and economic growth.*
- ◆ *The department has a portfolio of approximately 3,000 clients from the sectors of agriculture, fisheries and aquaculture and each client's development is supported strategically and customized to their needs.*

Farm Products Commission

The commission is a nine-member body representing the interest of producers, processors and consumers. It is responsible for the overall supervision of all producer-based boards and agencies under the *Natural Products Act* and facilitates the province's participation in provincial and national orderly marketing systems. The commission publishes its own annual report.

Financial Information

2017-2018 Budget \$601,000
2017-2018 Actual \$577,800
2017-2018 Variance (\$23,200)

Policy and Planning Division

The Policy and Planning Division provides support to the Department of Energy and Resource Development, and the Department of Agriculture, Aquaculture and Fisheries, and consists of the **Strategic Planning and Intergovernmental Relations Branch**, the **Regulatory Affairs Branch**, the **Performance Excellence Branch**, the **Corporate Affairs Branch**, and the **Economic Analysis and Trade Policy Branch**.

The **Strategic Planning and Intergovernmental Relations Branch** provides strategy development, strategic planning, and federal/provincial/territorial relations.

HIGHLIGHTS

- ◆ *The branch provided ongoing support for the Agriculture Ministers Conference and the Canadian Council of Fisheries and Aquaculture Ministers Conference.*
- ◆ *The branch, in collaboration with other parts of the department and Agriculture and Agri-Food Canada, the Canadian Food Inspection Agency and Health Canada, hosted a Local Food and Beverages Forum in November 2017. The branch led the planning process for this forum where the objective was to provide industry partners and stakeholders with an overview of the various federal and provincial food-related regulatory, policy and other initiatives that are currently underway.*
- ◆ *The branch played an active role in planning the Minister's Round Table on Fisheries.*
- ◆ *The branch provides policy administrative support to the department's Policy Management Committee, a senior management committee that facilitates the proactive planning, development, review and approval of internal policies. This committee aims to ensure policies are relevant, current, and consistent with the overall direction of the department and of government.*

The **Regulatory Affairs Branch** provides leadership, coordination and support regarding the development of legislation, policy initiatives and proposals, and the Minister's legislative business. The branch also manages requests under the *Right to Information and Protection of Privacy Act*.

HIGHLIGHTS

- ◆ *The Regulatory Affairs Branch responded to seven requests under the Right to Information and Protection of Privacy Act.*
- ◆ *The branch provided support with the proclamations of the Agricultural Development Act, the Fisheries and Aquaculture Development Act and the new Agriculture Appeal Board Act, as part 1 of the Act to Implement Strategic Program Review Initiatives of New Brunswick, 2016, to reduce the number of agencies, boards and commissions across government.*

The **Performance Excellence Branch** supports the implementation of GNB's formal management system and leads process improvement projects throughout the department.

HIGHLIGHTS

- ◆ *The branch implemented one Black Belt Process Improvement project and conducted two Waste Walk training sessions, improving service to clients and generating savings valued at more than \$81,000.*
- ◆ *The branch also supported program areas in the design and delivery of the department's strategy, including the execution of three strategic initiatives under the GNB Priority Delivery Unit model.*

The **Corporate Affairs Branch** provides corporate policy support (e.g., review and analysis of contracts and agreements), and liaises with the Office of the Attorney General on litigation, legislative issues and other major initiatives.

The **Economic Analysis and Trade Policy Branch** is responsible for economic forecasting, monitoring, research and statistical analysis, and reporting.

Organizational Development and Services Division

The Organizational Development and Services Division provides direction and support in matters of human resources, financial services, information and technology, and facilities management and coordinates financial assistance to the agriculture, aquaculture and fisheries sectors under various funding programs. The division is also responsible for the management of the province's Crown land resources and various leasing and licensing functions. The division serves both the Department of Energy and Resource Development, and the Department of Agriculture, Aquaculture and Fisheries.

The division consists of the **Financial Services Branch**, the **Human Resource Services Branch**, the **Information Systems and Departmental Services Branch**, the **Crown Lands Leasing and Licensing Branch** and the **Industry Financial Programs Branch**.

The **Financial Services Branch** is responsible for the department's financial resources, including expenditure and revenue management, budgeting, accounting and financial reporting services.

HIGHLIGHTS

- ◆ *The branch implemented improvement ideas and efficiency projects identified as part of the integration and the common administration of the Department of Energy and Resource Development and the Department of Agriculture, Aquaculture and Fisheries.*

The **Human Resource Services Branch** is responsible for providing all human resource management services, including recruitment and retention, classification, labour relations, human resource policies, employee engagement, organizational development, succession planning and administration of programs such as health and safety. These services are delivered by Service New Brunswick on behalf of the Organizational Development and Services Division.

HIGHLIGHTS

- ◆ *During the fiscal year 2017-2018, the joint administration of the two departments (Energy and Resource Development and Agriculture, Aquaculture and Fisheries) has continued to achieve efficiencies and standardize processes for the effective management of both departments.*
- ◆ *The branch provided ongoing training as required on various human resources related topics to managers/supervisors.*

The **Information Systems and Departmental Services Branch** provides province-wide services to the department, including Information Technology, Records Management, GIS Services, Information Security, Intranet Management and Facilities Management services.

HIGHLIGHTS

- ◆ *The branch completed a Geographic Information System project that will provide increased access to information about provincial resources by creating an agriculture commodities website where external clients can find potential suitable farming locations and attract potential investment to the province.*

The **Crown Lands Leasing and Licensing Branch** is responsible for management of the province's Crown lands, including coastal and submerged lands. The branch administers the legal responsibilities and manages initiatives associated with Crown lands in New Brunswick, including all recreational and commercial land transactions (i.e., purchases, sales and exchanges or leasing). The branch also administers the Farm Land Identification Program.

HIGHLIGHTS

- ◆ *Approximately 50 per cent of assessed farmland in New Brunswick is registered under the Farm Land Identification Program, accounting for approximately 160,000 hectares (ha) of land.*
- ◆ *27 new shellfish sites were allocated in 2017-2018, an increase of 152 ha in production, bringing the total area allocated for shellfish aquaculture to 2,763 ha.*

The **Industry Financial Programs Branch** provides financial assistance to the agriculture, aquaculture and fisheries sectors under various funding programs.

Financial Information

2017-2018 Budget \$16,036,600
2017-2018 Actual \$14,976,400
2017-2018 Variance (\$1,060,200)

HIGHLIGHTS

- ◆ *The branch provided \$11.9 million in support to the agriculture, aquaculture and fisheries sectors through various programs.*
- ◆ *The branch negotiated and launched the Canadian Agricultural Partnership, a five-year investment by federal, provincial and territorial governments to strengthen and grow the agricultural sector to replace Growing Forward 2.*

Financial information

Expenditures in detail 2017-2018 (\$)

Ordinary Account	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Agriculture, Aquaculture and Fisheries	33,532,000	52,200	33,584,200	33,336,000	(248,200)
Total 2017-2018	33,532,000	52,200	33,584,200	33,336,000	(248,200)
Capital Account	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Capital Equipment	100,000	–	100,000	84,500	(15,500)
Strategic Infrastructure	500,000	–	500,000	364,700	(135,300)
Total 2017-2018	600,000	–	600,000	449,200	(150,800)
Loans and Advances	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
New Brunswick Agricultural Insurance Commission	1,600,000	–	1,600,000	0	(1,600,000)
Loan Programs	9,500,000	–	9,500,000	934,500	(8,565,500)
Total 2017-2018	11,100,000	–	11,100,000	934,500	(10,165,500)

Revenues in detail 2017-2018 (\$)

Revenue Account	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Return on Investment	900,000	–	900,000	644,800	(255,200)
Licences and Permits	290,000	–	290,000	232,100	(57,900)
Sales of Goods and Services	4,482,000	–	4,482,000	5,166,100	684,100
Miscellaneous	63,000	–	63,000	86,600	23,600
Conditional Grants - Canada	4,780,000	–	4,780,000	4,584,000	(196,000)
Total 2017-2018	10,515,000	–	10,515,000	10,713,600	198,600
Loans and Advances	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Recoveries	3,000,000	–	3,000,000	8,247,300	5,247,300
Total 2017-2018	3,000,000	–	3,000,000	8,247,300	5,247,300

Summary of staffing activity

Pursuant to section 4 of the *Civil Service Act*, the Deputy Minister of the Department of Human Resources delegates staffing to each Deputy Head for his or her respective department(s). Please find below a summary of the staffing activity for 2017-2018 for the Department of Agriculture, Aquaculture and Fisheries.

Number of permanent and temporary employees as of Dec. 31 of each year		
Employee type	2017	2016
Permanent	187	202
Temporary	3	31
TOTAL	190	233

The department advertised 16 competitions, including nine open (public) competitions and seven closed (internal) competitions.

Pursuant to sections 15 and 16 of the *Civil Service Act*, the department made the following appointments using processes to establish merit other than the competitive process:

Appointment type	Appointment description	Section of the Civil Service Act	Number
Specialized Professional, Scientific or Technical	An appointment may be made without competition when a position requires: <ul style="list-style-type: none"> – a high degree of expertise and training – a high degree of technical skill – recognized experts in their field 	15(1)	1
Equal Employment Opportunity Program	Provides Aboriginals, persons with disabilities and members of a visible minority group with equal access to employment, training and advancement opportunities.	16(1)(a)	0
Department Talent Management Program	Permanent employees identified in corporate and departmental talent pools, who meet the four-point criteria for assessing talent, namely performance, readiness, willingness and criticalness.	16(1)(b)	0
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within Part 1, 2 (school boards) and 3 (hospital corporations) of the Public Service.	16(1) or 16(1)(c)	1
Regular appointment of casual/temporary	An individual hired on a casual or temporary basis under section 17 may be appointed without competition to a regular properly classified position within the Civil Service.	16(1)(d)(i)	0
Regular appointment of students/ apprentices	Summer students, university or community college co-op students or apprentices may be appointed without competition to an entry level position within the Civil Service.	16(1)(d)(ii)	0

Pursuant to section 33 of the *Civil Service Act*, no complaints alleging favouritism were made to the Deputy Head of the Department of Agriculture, Aquaculture and Fisheries and no complaints were submitted to the Ombud.

Summary of legislation and legislative activity

Bill #	Name of legislation	Date of Royal Assent	Summary of changes
21	<i>An Act Respecting Agricultural Associations</i> http://www.gnb.ca/legis/bill/pdf/58/4/Bill-21.pdf	Dec. 20, 2017	The repeal of the <i>Agricultural Associations Act</i> and regulations was a response to the recommendations in the 2016 report of the Office of the Auditor General. Through this change, and changes that were made to the <i>Companies Act</i> and the <i>Assessment Act</i> , agricultural societies and agricultural fair associations can register under the <i>Companies Act</i> . The <i>Companies Act</i> contains provisions for not-for-profit companies to elect board members, hold annual general meetings and operate under by-laws.

Name of regulation	Effective date	Summary of changes
Amendments to the Characteristics of Inshore Boats Regulation (91–83) under the <i>Inshore Fisheries Representation Act</i>	May 15, 2017	To proclaim the <i>Inshore Fisheries Representation Act</i> to establish a new region in the Bay of Fundy (Region 4); and to amend the regulation to add characteristics for an inshore boat in the newly established region (Region 4).
Amendments to the Milk Plan Administration Regulation (2002-86) under the <i>Natural Products Act</i>	Sept. 1, 2017	To amend the wording of the regulation to provide flexibility in the term of office of members at large of the Dairy Farmers of New Brunswick, from a full three-year term, to a term of up to three years.
Amendments to the Apple Plan Administration Regulation (2002-61) under the <i>Natural Products Act</i>	Sept. 1, 2017	To change the definition of eligible producer from a producer who manages under contract or lease or owns at least 100 bearing trees, to a producer who manages under contract or lease or owns at least two acres of apple trees or apple bearing trees.
Amendments to the General Regulation (2007-70) under the <i>Agricultural Producers Registration and Farm Organizations Act</i> and to the General Regulation (82-81) under the <i>Gasoline and Motive Fuel Tax Act</i>	Oct. 27, 2017	To amend the membership fee structure to register or renew a farming operation as a farm business under the Farm Business Registry, change the annual expiry date of registration or renewal of registration of a farming operation from October 31st to January 31st in the General Regulation - <i>Agricultural Producers Registration and Farm Organizations Act</i> ; to change the expiry date for the Farmer Purchaser's Permit from October 31st to January 31st; remove the two month deferral period to submit the Farmer Purchaser's Permit Annual Report; and provide for a transitional rule to allow for the first filing of the Farmer Purchaser's Permit Annual Report to cover a 15 month period where applicable in the General Regulation - <i>Gasoline and Motive Fuel Tax Act</i> .
Repeal of the Agriculture Laboratory Fees Regulation (84-180) and the Bon Accord Elite Seed Potato Centre Fees Regulation (2001-5) under the <i>Financial Administration Act</i>	Dec. 14, 2017	To repeal the Agriculture Laboratory Fees Regulation and the Bon Accord Elite Seed Potato Centre Fees Regulation.
Amendments to the General Regulation (84-295) under the <i>Agriculture Development Act</i> and the General Regulation (84-166) under the <i>Fisheries and Aquaculture Act</i>	Feb. 1, 2018	To proclaim the <i>Agriculture Development Act</i> and the <i>Fisheries and Aquaculture Act</i> and amend their respective General Regulation to identify thresholds for ministerial approval of an application for financial assistance, as well as establish panels of the board and how they operate (Part 1 of <i>An Act to Implement Strategic Program Review Initiatives of New Brunswick</i> , 2016).

Making of the General Regulation (2018-6) under the <i>Agricultural Appeal Board Act</i>	Jan. 31, 2018	To proclaim the <i>Agricultural Appeal Board Act</i> and create a new General Regulation pertaining to the appeal process and timelines (Part 1 of <i>An Act to Implement Strategic Program Review Initiatives of New Brunswick, 2016</i>).
--	---------------	--

The acts for which the department was responsible in 2017-2018 may be found at:

<http://laws.gnb.ca/en/deplinks?subjectnumber=1>

<http://laws.gnb.ca/fr/deplinks?subjectnumber=1>

Summary of Official Languages activities

Introduction

The Department of Agriculture, Aquaculture and Fisheries has continued to work on its Official Languages action plan which includes the four sectors of activity as identified in the *Plan on Official Languages – Official Bilingualism: A Fundamental Value*. The following outlines the actions taken during 2017-2018 in each of the four areas of focus.

Focus 1

Ensure access to service of equal quality in English and French throughout the province:

- Randomized calls were made to departmental phone numbers used by the public to verify the active Offer of Service was being provided in the client's Official Language of choice.
- Linguistic profiles were updated throughout the year to ensure the department's ability to provide services in both Official Languages throughout the province.

Focus 2

An environment and climate that encourages, for all employees, the use of the Official Language of their choice in their workplace:

- Communication and correspondence with employees were delivered in their Official Language of choice.
- The department continued to encourage the use of both Official Languages for small meetings. For all large meetings, the department promoted simultaneous interpretation, bilingual presentations, or separate English and French sessions.

Focus 3

New and revised government programs and policies will take the realities of the province's official linguistic communities into account:

- Correspondence and information were provided to the public in the Official Language of their choice.
- The department's annual report provided a summary of activities associated with Official Languages.

Focus 4

Ensure Public Service employees have a thorough knowledge and understanding of the *Official Languages Act*, relevant policies, regulations, and the province's obligations with respect to Official Languages:

- The Deputy Minister reminded all employees of their legal obligation to offer services in the Official Language of choice of the client. Employees were also reminded of the Language of Service Policy and Guidelines and the Official Languages Toolkit.
- As part of the annual performance review, employees were required to read the policies related to Official Languages.

Conclusion

The department understands its obligations under the *Official Languages Act* and related policies and strives to provide quality services to clients in both Official Languages. The department encourages and supports the use of both Official Languages in the workplace and invests in employee development through second language training.

Summary of recommendations from the Office of the Auditor General

Section 1 – Includes the current reporting year and the previous year.

Name and year of audit area with link to online document	Recommendations	
	Total	
Agricultural Fair Associations (2016) -Determine whether there is adequate government oversight of New Brunswick Agricultural Associations. http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2016V1/Chap4e.pdf	4	

Adopted Recommendations	Actions Taken
Recommend the Department of Agriculture, Aquaculture and Fisheries fulfill its legislated mandate under the <i>Agricultural Associations Act</i> . We recommend DAAF develop a strategy to further define its mandate, including a clear definition of its role and responsibilities as well as goals and objectives for its work with agricultural societies and agricultural fair associations.	The Department of Agriculture, Aquaculture and Fisheries has opted to repeal the <i>Agricultural Associations Act</i> and its three regulations. DAAF continues to partner with the New Brunswick Fairs and Exhibitions Association (NBFEA) in a shared objective of creating awareness of the agriculture and farming community in the province and to assist in its promotion and further development of public trust of the sector.
Recommend, alternatively, if the Department of Agriculture, Aquaculture and Fisheries does not intend to meet its current mandate under the <i>Agricultural Associations Act</i> and regulations, it pursue legislative amendments to the <i>Agricultural Associations Act</i> and regulations. This would define and clarify its commitment to these entities.	DAAF has repealed the <i>Agricultural Associations Act</i> , and its three supporting regulations (Received Royal Assent Dec. 20, 2017). The department supports these organizations through a variety of funding programs.
Recommend the Department of Agriculture Aquaculture and Fisheries define, communicate, and monitor minimum reporting requirements for all agricultural associations and societies it is required to oversee under the <i>Agricultural Associations Act</i> .	The <i>Agricultural Associations Act</i> has been repealed and this is no longer a legal requirement.
Recommend the Department of Agriculture, Aquaculture and Fisheries distribute funding directly to agricultural fair associations without the assistance of a third-party entity. Accordingly, we recommend DAAF develop and implement a grant allocation process with applicable controls to ensure proper use of public funds.	As recommended, the department no longer provides funding to a third-party entity for distribution of grants to the Fairs and Exhibitions membership. Funding is now provided to each organization directly and is managed through the revised "Agriculture Awareness Program". The Program clearly defines the objectives, eligibility, criteria and requirements and has a set of checks and balances including the right to audit activities funded under the program.

Section 2 – Includes the reporting periods for years three, four and five.

Name and year of audit area with link to online document	Recommendations	
	Total	Adopted
Collection of Receivable Account, Volume 5 (2013) – Recommend a matching process be undertaken to identify provincial employees with past due accounts for veterinary services or with any other amounts in arrears. Payment arrangements should be established or payroll set-off applied. In the future, departments should collect a "unique identifier" from individuals in order to facilitate recovery (through matching) should default occur. http://www.gnb.ca/oag-bvg/2013v2/agrepe.pdf (page 188-189)	1	1 (partially)

Report on the *Public Interest Disclosure Act*

As provided under section 18(1) of the *Public Interest Disclosure Act*, the chief executive shall prepare a report of any disclosures of wrongdoing that have been made to a supervisor or designated officer of the portion of the public service for which the chief executive officer is responsible. The Department of Agriculture, Aquaculture and Fisheries received zero disclosure(s) of wrongdoing in the 2017-2018 fiscal year.