



BC VEGETABLE MARKETING COMMISSION

## BULLETIN

### Administrative Levy Increase on 2023 Crop

In January we informed producers of a levy increase and advised that additional increases may be required. Producers were further advised at the AGM held in April that levy rates needed to be revisited. We have now completed an assessment of our financial situation and additional funds are immediately required to ensure the viability of the BCVMC (Commission). Therefore, effective June 1<sup>st</sup> for the 2023 Crop Year, the Commission administrative levy collected from producers to fund the Commission operations have been increased to the following rates:

2023 Crop Year					Impact on Budget
BCVMC Admin. Levy					
<u>GREENHOUSE CROPS</u>	<u>Current</u>	<u>Increase</u>	<u>New Rate</u>	<u>Unit</u>	<u>Estimated</u>
Producer	\$ 0.050	\$ 0.03	\$ 0.080	/sq.m.	\$ 96,971
Proeducer-Shipper	\$ 0.050	\$ 0.03	\$ 0.080	/sq.m.	
<u>STORAGE CROPS</u>	<u>Current</u>	<u>Increase</u>	<u>New Rate</u>	<u>Unit</u>	\$ 147,817
Fresh Crops (Except Potatoes)	\$ 2.82	\$ 1.69	\$ 4.51	/ton	
Fresh Potatoes	\$ 2.82	\$ 1.69	\$ 4.51	/ton	
Contract Crops (Except Potatoes)	\$ 2.22	\$ 1.33	\$ 3.55	/ton	
Contract Potatoes	\$ 2.22	\$ 1.33	\$ 3.55	/ton	
<u>PROCESSING CROPS</u>	<u>Current</u>	<u>Increase</u>	<u>New Rate</u>	<u>Unit</u>	\$ 7,898
Broccoli, Brussels Sprouts, Cauliflower	\$ 3.32	\$ 1.99	\$ 5.31	/ton	
Peas	\$ 3.59	\$ 2.15	\$ 5.74	/ton	
Beans	\$ 2.92	\$ 1.75	\$ 4.67	/ton	
Strawberries	\$ 2.29	\$ 1.37	\$ 3.66	/ton	
TOTAL Impact on revenue					\$ 252,686

The Commission made the decision not to increase the administrative levy for more than 8 years and in 2017 the levy was actually reduced. Since 2017 the Commission has been drawing from a substantial reserve to fund the shortfalls in revenue. This year the Commission is in the position where additional administrative levies are required to maintain operations. The new administrative levy rates will generate additional revenue covering the projected 2023 budget deficit generated primarily from increased legal, insurance and other inflationary costs. Furthermore, this increase will ensure that the accumulated surplus remains at the minimum reserve requirement established by the Commission.



## Commission Mandate

The Commission is a governing body. It acts by the authority delegated through the Natural Products Marketing (BC) Act and the British Columbia Vegetable Scheme (the Scheme). Reporting to the government, the Commission administers the Scheme, including coordinating producer activities, to ensure Orderly Marketing. Orderly Marketing is achieved through the promotion, control, and regulation of production, transportation, packing, storage, and marketing of vegetables. The Commission's General Order sets out the rules on how it manages the industry to ensure orderly marketing.

The Commission is responsible for ensuring regulated marketing provides a framework for producer economic stability and satisfies other related public interests. Regulated marketing is intended to benefit producers, the sector's value chain, and the public.

The Commission regulates BC production marketed by agencies and regulates agencies to get the best returns for BC producers. When making decisions that impact the regulated vegetable sector, the Commission takes the public interest into consideration.

## The Future Looks Great

Over the past several years the Commission has focused on improving its governance, organizational structure, and operational capacity to be responsive and effective at regulating the industry. Significant accomplishments have been made with the establishment of independent Commissioners, Committees and Advisory roles. Under our new framework and with our new staffing positions we continue to work on improving our operations over 2023 through:

- Enhanced roles for Governance and Finance Committees
- Better communications and engagement with industry
- More extensive engagement of advisory committees
- The implementation of an Agency Accountability Framework & Standards
- Introducing a compliance and enforcement manual that provides clarity on procedures, expectations, and consequence of a non-compliance.
- An updated Strategic Plan

With these improvements, you will receive new benefits in enhanced compliance and enforcement, greater engagement with industry, and better transparency in our operations. As the Commission works on completing these priorities, we will continue to re-evaluate all services that we provide to the industry and be mindful of our costs. If you have any inquiries regarding this bulletin, please contact the Commission office.