

AGRI-FUTURES NOVA SCOTIA

ANNUAL REPORT

2003 - 2004

The Canadian Adaptation and Rural Development (CARD) program funded by Agriculture and Agri-Food Canada ended in March 2004. Funds committed to the provincial Councils was fully paid by that time. Nova Scotia's total allocation under the program was \$4,856,026. The provincial Councils continued to approve projects until these funds were fully committed. Interest has been earned on the funds allowing Agri-Futures to commit over 100% of its CARD allocation. At year end, \$5,009,740 was committed to or paid on projects. From that date forward, additional funds will be allocated to CARD projects only as funds become available from decommitment as projects are completed. At year end, 83 projects remain to be completed. Approximately \$1,800,000 is committed against these projects.

Agri-Futures Nova Scotia has been responsible for the administration of the CARD funds allocated to this province. Agri-Futures is a non-profit association registered in Nova Scotia. Its membership is the Council of Leaders of the Nova Scotia Federation of Agriculture. Nine directors are appointed by the membership to conduct the business of the Association. In addition, the Nova Scotia Department of Agriculture and Fisheries and Agriculture and Agri-Food Canada each appoint an ex officio member to the Board. Agri-Futures has made application to administer the Advancing Canadian Agriculture and Agri-Food (ACAAF) funds over the five years commencing April 1, 2004. At year end the proposal has not yet been approved by Agriculture and Agri-Food Canada. Some changes to our by-laws and program guidelines will be required to meet the criteria of the ACAA program. Revised guidelines will be available following approval of our proposal.

The objectives of the ACAA program are to:

- Expand the sector's capacity to respond to current and emerging issues
- Position the sector to capture market opportunities

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- Actively and continuously engage the sector to contribute to future agriculture and agri-food policy directions
- Integrate sector-led projects tested and piloted under ACAAF into future Government or industry initiatives.

Under CARD programming, Agriculture and Agri-Food Canada, as the sole funding agent, established general eligibility criteria and provided certain broad guidelines for the allocation of funds. The provincial Adaptation Councils have been asked to be cognizant of the need to evaluate proposals on their relative ability to lever additional funds, to have benefit to broad sectors of the industry and to have benefit beyond the term of the project. Normal business expansion costs, capital items and marketing projects which give one company an advantage over its competitors or contribute to a reduced price structure would not be considered as eligible costs. These guidelines will remain unchanged under the ACAAF program.

Activity to August 31, 2004

In the past year, the Board met four times and convened eleven conference calls to consider business of the Association and to review applications. In addition, the Board held one strategic planning meeting to deal specifically with governance issues for administration of the new program. Appendix I provides a summary of projects approved for support during the past year. Additional information on individual projects may be obtained from the proponent.

To August 31, 2004, 265 projects have been approved for support by Agri-Futures. Forty-seven of these were approved in the current year.

Total commitment of funds to these projects on August 31 was \$5,009,740. Total funds received from Agriculture and Agri-Food Canada under the CARD program is \$4,856,026. A more detailed summary of activity to date is provided in Appendix II.

Appendix I: Projects Approved during 2003 -2004

Project 302.

Atlantic Branded Beef Management Inc. developed specific standards for traceability, quality and on-farm environmental and animal welfare standards for beef cattle accepted for their branded beef programs. Producer education programs were also developed.

Total Cost: \$ 105,000

Total CARD Contribution: \$45,500

AFNS Contribution: \$ 25,000

Project 309.

The Atlantic Poultry Research Institute will evaluate blueberry processing waste as a feed additive in broiler chicken diets.

Total Cost: \$ 45,000

Total CARD Contribution: \$9,500

AFNS Contribution: \$ 8,400

Project 321.

AgraPoint organized Agrifest, a four day outdoor festival celebrating innovations in food production. Agrifest targeted the agricultural community and the general public. It took place August 5 to 8 at Lyndhurst Farms, Canning.

Total Cost: \$ 900,000

AFNS Contribution: \$75,000.

Project 325.

The New Brunswick Advanced Agricultural Leadership Forum held a one day meeting to assess the Atlantic area's agricultural leadership needs. The forum developed next steps and involvement of the Atlantic Farmers Council.

Total Cost: \$ 12,200

Total CARD Contribution: \$ 4,050

AFNS Contribution: \$ 960.

Project 326.

The Atlantic Swine Research Partnership will establish a Waste Management Chair at the Nova Scotia Agricultural College. The Chair will develop technologies in the management of agricultural wastes in an environmentally sustainable fashion. The

Chair is supported by the three Maritime CARD Councils

Total Cost: \$ 507,000

Total CARD Contribution: \$ 60,000

AFNS Contribution: \$ 25,000

Project 327.

Chicken Farmers of Nova Scotia will implement the national On-Farm Food Safety and Assurance Program. All producers will be enrolled and audited within a two year period.

Total Cost: \$138,000

AFNS Contribution: \$65,000.

Project 328.

Dairy Farmers of Nova Scotia held a two day conference covering various topics relevant to the dairy industry. Topics covered included animal health and disease issues and on-farm food safety and assurance.

Total Cost: \$ 69,000

AFNS Contribution: \$7,500

Project 329.

The Milk Marketing Boards of the Atlantic provinces commissioned a study regarding options for marketing cull cows. The study would include an evaluation of the market requirement for cull dairy and beef cows.

Total Cost: \$ 79,000

Total CARD Contribution: \$ 26,400

AFNS Contribution: \$ 13,200

Project 331.

The Nova Scotia Fruit Growers' Association sponsored Dr. Steve Blizzard, an international authority on tree fruit trellising, to conduct a workshop at the Annual Meeting.

Total Cost: \$ 2,500

AFNS Contribution: \$ 2,000

Project 332.

Classic Cheesecakes Inc. will contract Loring Wilmot to develop new markets for the company's products.

Total Cost: \$ 75,000

AFNS Contribution: \$ 25,000

Project 333.

Pork Nova Scotia hosted a conference for pork producers in the Atlantic region. The conference covered a wide range of topics including animal welfare, genetics and environmental issues.

Total Cost: \$ 15,000

AFNS Contribution: \$5,000

Project 334.

The Maritime Beef Testing Society, in cooperation with Merial Canada, will test bulls in the test station for the presence of genes which influence the degree of marbling. Information will be published in the sale catalogues.

Total Cost: \$45,200

Total CARD Contribution: \$ 20,000

AFNS Contribution: \$8,000

Project 335.

The Mink Breeders' Association will conduct a five year genetic study to identify strains of mink resistant to Aleutian disease. Various methods will be evaluated to detect and treat the disease. The CARD Councils of Ontario and British Columbia are also supporting this project.

Total Cost: \$1,500,000

Total CARD Contribution: \$ 290,000

AFNS Contribution: \$136,000

Project 337.

The Canadian Nursery Landscape Association will conduct several research projects to develop and transfer integrated pest management technologies and programs for the Canadian nursery industry.

Total Cost: \$251,684

Total CARD Contribution: \$90,342

AFNS Contribution: \$170

Project 338.

Dairy Farmers of Nova Scotia sponsored their on-farm food safety coordinator to attend the International Dairy Hygiene and Safety Symposium.

Total Cost: \$ 9,500

AFNS Contribution: \$3,500

Project 339.

The Atlantic Canadian Organic regional Network received support from the Nova Scotia and Prince Edward Island CARD Councils to send two delegates to strategic meetings in Guelph, Ontario. The organic organizations were setting national organic standards and developing a regulatory system.

Total Cost: \$ 3,200

Total CARD Contribution: \$ 1,800

AFNS Contribution: \$1,200

Project 340.

The Nova Scotia Cattlemen's Association, in cooperation with the Nova Scotia Agricultural College and the Beef Cattle Research Council, will evaluate several insect species as biological control agents to control several serious pasture weeds including tansy ragwort, sow thistle, bull thistle, Canada thistle and St. John's wort.

Total Cost: \$ 214,000

AFNS Contribution: \$ 97,000

Project 341.

The Nova Scotia Beekeepers' Association sponsored one delegate to attend a research and bee health symposium in Winnipeg.

Total Cost: \$ 2,145

AFNS Contribution: \$1,445

Project 342.

The Atlantic Poultry Research Institute will conduct two year trials to evaluate milk products, Lysosyme and Bio Mos as alternatives to antibiotics in broiler chicken and turkey diets. The trials will be conducted under optimum and stressed growing conditions.

Total Cost: \$ 225,000

Total CARD Contribution: \$ 34,225

AFNS Contribution: \$ 23,700

Project 344.

The Soil & Crop Improvement Association organized five one-day seminars across the province. The seminars covered a wide variety of production and environmental sustainability topics and introduced the Greenhouse Gas Mitigation Program.

Total Cost: \$ 4,500

AFNS Contribution: \$ 800

Project 345.

The Nova Scotia Fruit Growers' Association will evaluate several products for their effectiveness as bio-regulators to control fruit set. These bio-regulators will be compared to chemical regulators presently used in the industry. The project is also supported by the British Columbia CARD Council.

Total Cost: \$ 400,000

Total CARD Contribution: \$ 136,000

AFNS Contribution: \$ 96,000

Project 347.

The Nova Scotia Federation of Agriculture will develop a business plan to provide the structure and ownership of a Research Foundation. The objective of the Foundation is to provide support for smaller organizations to undertake development and research projects.

Total Cost: \$ 15,700

AFNS Contribution: \$ 8,600

Project 348.

The Hants County Federation of Agriculture in cooperation with AZAR Agriculture will test the effectiveness of Actigard, Messenger and Acadian Liquid Seaweed Concentrate to produce resistance to the usual fungal, viral and bacterial diseases in strawberry plants.

Total Cost: \$ 70,000

AFNS Contribution: \$ 12,000

Project 349.

The Wild Blueberry Producers' Association of Nova Scotia developed four fact sheets for producers and beekeepers. The fact sheets covered topics related to pollination and pollination enhancement.

Total Cost: \$ 7,000

AFNS Contribution: \$ 2,900

Project 352.

The Colchester County Federation of Agriculture developed resource materials to promote county agri-businesses which have direct-to-consumer sales.

Total Cost: \$ 45,000

AFNS Contribution: \$ 9,750

Project 353.

The Wild Blueberry Producers' Association of Nova Scotia will develop a web site for its membership. The web site will provide information on new technology, production and marketing.

Total Cost: \$ 8,500

AFNS Contribution: \$ 6,000

Project 354.

The Soil & Crop Improvement Association of Nova Scotia, in cooperation with AZAR Agriculture, will conduct two year trials to measure short and long term effects of stock piling on mink and poultry manure. A wide range of measures will be taken to assess environmental and manure nutrient effects.

Total Cost: \$ 130,000

AFNS Contribution: \$ 30,000

Project 356.

Sea Spray Atlantic Coop will evaluate a prototype steam applicator for its effectiveness in controlling Colorado Potato Beetle in organic potato production. Steam control will be compared with open flame, pneumatic removal and biological control methods.

Total Cost: \$ 18,000

AFNS Contribution: \$ 6,000

Project 357.

The Tatamagouche Farmers Market Coop Ltd. will expand and modernize its facilities to enable it to meet provincial health standards and to increase retail space for its member vendors.

Total Cost: \$ 672,000

AFNS Contribution: \$ 43,750

Project 359.

AgraPoint and the Grape Growers' Association of Nova Scotia will conduct a four year weather monitoring program in selected areas of the Annapolis Valley. The objective is to identify areas suitable for grape production to support a growing provincial wine industry.

Total Cost: \$ 127,000

AFNS Contribution: \$ 40,000

Project 360.

The Nova Scotia Mink Breeders' Association will employ a development officer to carry out several development projects, including an Aleutian disease certification program, a web page, a director's manual and a best practices video and manual.

Total Cost: \$128,000

AFNS Contribution: \$ 45,500.

Project 362.

The Grape Growers' Association of Nova Scotia in cooperation with the provincial wine producers organized a symposium to provide information on grape production, wine production, quality and marketing and on global trends in production and marketing.

Total Cost: \$ 45,000

AFNS Contribution: \$ 6,700

Project 364.

Sea Spray Atlantic Coop will undertake a five year program to expand the marketing of organic products for its members in the three Atlantic provinces. The Coop will organize coordinated marketing and explore new markets.

Total Cost: \$ 413,000

Total CARD Contribution: \$ 50,000

AFNS Contribution: \$ 25,000

Project 365.

The Beef Information Centre will undertake a two year program to increase utilization of beef, especially from animals over 30 months of age, though increased processing, domestic consumption and import replacement.

Total Cost: \$ 9,165,000

Total CARD Contribution: \$2,550,000

AFNS Contribution: \$23,600

Project 366.

Horticulture Nova Scotia, in cooperation with Nova Scotia Agriculture College will establish an Edible Horticulture Research Chair. The Chair will coordinate and conduct research on a range of production parameters and on market and food research.

Total Cost: \$ 380,000

AFNS Contribution: \$ 150,000

Project 367.

The Yarmouth County Federation of Agriculture sponsored emergency first aid training courses for ten of its members.

Total Cost: \$ 800

AFNS Contribution: \$550

Project 368.

The Christmas Tree Council of Nova Scotia will sponsor a seminar on export of trees to the United States market.

Total Cost: \$ 2,400

AFNS Contribution: \$ 1,200

Project 370.

The Sheep Producers Association of Nova Scotia will develop resource materials to promote the consumption of lamb and the use of wool. The Association will also develop fact sheets for producers.

Total Cost: \$ 16,700

AFNS Contribution: \$ 8,000

Project 373.

The Cape Breton Richmond Federation of Agriculture will conduct a feasibility study to determine the financial viability of a provincially inspected slaughter plant in Cape Breton. The study will also evaluate ownership options and markets for locally produced red meats.

Total Cost: \$32,000

AFNS Contribution: \$11,500

Project 375.

The Soil & Crop Improvement Association of Nova Scotia in cooperation with AZAR Agriculture Inc. will conduct trials to assess methods of evaluating winter hardiness in legumes. The alternative evaluation methods will be used in conjunction with variety trials.

Total Cost: \$38,000

AFNS Contribution: \$ 9,400

Project 376.

The Nova Scotia Fruit Growers' Association sponsored its research technician to attend the International Symposium on Computer Modeling in Fruit Research and Orchard Management.

Total Cost: \$ 3,500

AFNS Contribution: \$ 1,500

Project 377.

The Nova Scotia Cattlemen's Association will undertake several activities to evaluate the processing of Nova Scotia produced beef and strategies to increase marketing.

Total Cost: \$ 62,000

AFNS Contribution: \$ 27,250

Project 379.

The Women's Institutes of Nova Scotia will conduct workshops in rural areas to

focus on water quality and septic system maintenance. Fact sheets on water quality and septic system maintenance will be updated.

Total Cost: \$ 29,500

AFNS Contribution: \$ 7,600

Project 380.

The Maritime Limousin Association sponsored informal workshops on “ How to Improve Our Marketing” presented by Wayne and Anne Burgess. The Burgess’ also presented a showmanship workshop for junior and 4-H members.

Total Cost: \$ 5,800

AFNS Contribution: \$ 3,500

Project 382.

The Nova Scotia Agricultural Awareness Committee will conduct a variety of activities and present two classroom study units as part of its 2004 program. The program will also include Open Farm Days, a Summer Institute, two Ag Cot displays and a media program.

Total Cost: \$92,000

AFNS Contribution: \$ 22,700

Project 383.

The Nova Scotia Cranberry Growers’ Association will conduct several activities to promote increased marketing of cranberries and cranberry products. The activities will include development of a brand image, a web site and printed materials.

Total Cost: \$ 52,000

AFNS Contribution: \$ 16,000

Project 385.

The Nova Scotia Branch of Canadian Farmers with Disabilities will purchase two educational display units. The units will be on display at exhibitions and agricultural events throughout the province.

Total Cost: \$ 18,000

AFNS Contribution: \$6,500

Appendix II : Progress to August 31, 2004

	Total Program To Date	Current Fiscal Year
Applications Received	390	59
Applications Brought Forward	0	11
Applications Approved	265	47
Applications Pending	5	5
Applications Not Approved	102	16
Applications Withdrawn	18	2
Agri-Futures Funds Committed	\$1,794,052.00	\$1,181,200.00
Funds Paid on Projects	\$3,215,688.00	\$664,458.00
Total Funds Received from AAFC	\$4,856,02	\$327,948.00
Interest & Capital Gains Received	\$510,798.00	\$90,344.00
Administrative Costs	\$395,500.00	\$74,069.00

Chairman's Report

The past year represents the final year of the CARD program. A total of \$4,856,000 was received from Agriculture and Agri-Food Canada since 1997. Investment of funds received from Agriculture and Agri-Food Canada has provided approximately \$470,000 in interest, enabling Agri-Futures to commit over 100% of the CARD funds to projects. On August 31, approximately \$5,010,000 were committed or had been paid on projects supported by Agri-Futures Nova Scotia. Since June 2004, funds were committed to new projects only as funds became available from completed projects which came in under budget. In 2003-2004, Agri-Futures approved 47 projects and committed approximately \$1,181,200 to these projects.

During 2003, members of this Board and industry representatives took part in discussions organized by Agriculture and Agri-Food Canada to evaluate the CARD program and to provide a framework for a replacement program. Across Canada, there was strong support for delivery of such a program by the Adaptation Councils. Program areas were developed which were complimentary to the Agricultural Policy Framework.

In April 2004, the Minister of Agriculture and Agri-Food announced the Advancing Canadian Agriculture and Agri-Food program (ACAAF) and invited the provincial and territorial Adaptation Councils to submit proposals to deliver the program. At year end, the provincial Councils were awaiting final approval of these proposals.

The guidelines for ACAAF divide the program into three areas or Pillars. Pillar I supports projects which test new ideas, processes or products which will expand markets and increase profitability. Pillar II supports the transfer of research results into market opportunities and encourages commercialization of research results and business growth. Pillar III provides the opportunity to gather, analyze and share information on emerging issues and new technologies. More details on the program may be obtained from the Program Guidelines.

Funds available to the provincial Councils under ACAAF have been increased above the level received under CARD. Nova Scotia is scheduled to receive approximately \$813,000 per year over the next five years compared with \$620,000 per year under CARD II.

Our list of eligible clients also expands to include agri-businesses that are involved in processing and marketing. In these instances, we will support small businesses to carry out projects where benefits will flow to producers in terms of increased returns and market expansion. The Board hopes to maintain the flexibility exhibited under the CARD program.

Agri-Futures invites the agricultural organizations to submit proposals which fall under the ACAAF guidelines and which provide opportunity for the membership. Additional program information may be obtained by e-mail from r.williams@pchg.net or from our website at www.agri-futures.ns.ca.

I extend my thanks to your Board of Directors for their support and dedication during the past year and for their conscientious and objective approach to the administration of this program.

Respectfully submitted on behalf of the Directors,

Laurie Hennigar

Chairman, Agri-Futures Nova Scotia.