Accountability Report

2022 - 2023

Perennia Food and Agriculture Corporation

Contents

Accountability Statement

The Accountability Report of Perennia Food and Agriculture Corporation for the year ended March 31, 2023 is prepared pursuant to the *Finance Act* and government policies and guidelines. These authorities require the reporting of outcomes against Perennia's business plan for the fiscal year just ended. The reporting Perennia's outcomes necessarily includes estimates, judgments and opinions by Perennia management.
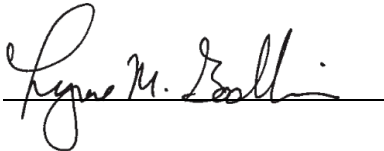
We acknowledge that this Accountability Report is the responsibility of Perennia management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the Perennia 2022 - 2023 Business Plan.

Minister
Honourable Greg Morrow

Board Chair
Charles Keddy

CEO
Lynne Godlien

Message from Board Chair/CEO

We are pleased to present the Perennia Food and Agriculture Corporation accountability report for 2022/23.

This fiscal year saw some major changes for Perennia. After more than 20 years as a registered company owned by the province, we became a legislated crown corporation in December 2022. This codifies our mandate as Nova Scotia's food development agency working with and for the province's agriculture, seafood and food and beverage processing sectors in partnership with the Nova Scotia Departments of Agriculture, and Fisheries and Aquaculture.

In 2022-23, severe weather and climate change impacts were a major theme of our work. We supported government and industry in handling the effects of Hurricane Fiona and the freezing temperatures event in February. Perennia was selected to deliver the federal On-Farm Climate Action Fund in Nova Scotia and Newfoundland and Labrador for two years with over $8 million available for adopting best management practices to sequester carbon. Every day, our specialists work with our food-based businesses to address and mitigate the impacts of our changing climate to sustain and grow our food sectors.

This year, we completed development of our first software application. PomeBlight uses weather data to alert tree fruit producers of possible fire blight infection periods. Fire blight is a disease that can devastate orchards. We also developed an interactive farm weather map with a growing degree calculator to help farmers estimate the growth and development of plants and insects during the growing season. Infection alerts and growing degree days have always been calculated manually. These automated tools are just the first step in our plans to make weather and other data more accessible so producers can make even more precise crop management decisions.

In seafood, we continued to focus on development projects with a great deal of time spent on developing a commercial seal industry based on full utilization. We also offered our agri-food and seafood accelerator programs supporting the product development and quality and food safety goals of Nova Scotia processors. These popular programs, as well as the work of the Buy Local Agriculture team at Perennia, will do great things to help Nova Scotia reach its goal of 20 per cent of local food dollars being spent on local products.

We had great government and industry partners this year – for which we are grateful. We are also honoured to work with the impressive team at Perennia. We had an impactful 2022-23 and are looking forward to doing more great things in 2023-24.

Board Chair

Charles Keddy

CEO

Lynne Godlien

Financial Results

Program and Service Area	2022-2023 Estimate	2022-2023 Actual	2022-2023 Variance
	($thousands)		
Total Revenue	10,127	14,875	4,748
Organizational Support and Special Projects	3,338	6,261	(2,923)
Seafood Services	594	593	1
Centre for Marine and Applied Research	1,082	2,258	(1,176)
Agriculture Services	2,489	3,173	(684)
Quality and Food Safety Services	454	348	106
Product Development and Commercialization	1,453	1,545	(92)
Cannabis Lab	887	718	169
Total Gross Expenses	10,297	14,896	(4,599)
Annual Surplus / (Deficit)	(170)	(21)	149
TCA Revenue (included in Total Revenue)	52	83	31
Depreciation (included in Gross Expenses)	466	487	(21)

Expense Variance Explanation:

Increase in expenses for recoverable projects

Revenue Variance Explanation:

Increase in revenues for recoverable projects and equipment grants, lower industry consulting revenues

TCA Variance Explanation

Equipment grants related to Centre for Marine and Applied Research ($70K), Nematodes ($13K). Capital grants are recognized in the revenue in the year received, related depreciation expenses are recognized over the useful life of the associated capital asset

Measuring Our Performance

Perennia has a standard goal to increase revenue by five per cent year-over-year. For 2022-23, revenues were 33.2 per cent over those in 2021-22. Key areas driving this increase were a new federal government climate change program we were awarded and increases in agriculture applied research consulting and training revenues, mainly in quality and food safety.

We strive to measure the impact of our work on industry growth and resilience, and our clients' bottom line. While we are making strides in this area, much of our reporting is activity and participation based with some project results showing anticipated impact. Creating a process to fully illustrate the economic impact of the work we do with clients will be a strategic priority for us over the next several years.

Strategic Priorities

Priority 1: Be leaders in empowering strategic industry advancement

Perennia plays a role as a facilitator, supporter and leader working with industry and government to address issues that are impeding the growth of Nova Scotia's agriculture, seafood, and the food and beverage processing sectors.

Perennia specialists work daily with industry to develop and advance practices to help them **adapt to our changing climate**.

In 2022-23, there were two **major weather events** where Perennia worked with the Nova Scotia Department of Agriculture to support producers and processors through the impacts.

- **Hurricane Fiona** hit Nova Scotia in mid-September causing crop and infrastructure damage on many farming, seafood and food and beverage processing operations.
- Overnight February 3 and through early morning February 4, 2023 some areas in Nova Scotia experienced a **severe drop in temperatures** over a short period of time, stressing crops like grapes, tree fruits and berries.

For both dramatic weather events, Perennia agriculture specialists were on farm assessing damages, sharing information with government and industry partners, and giving technical advice to operations. Our food safety specialists also worked with food and beverage processors to address any food risks associated with loss of power and infrastructure damage.

In February 2022, Perennia was selected to deliver the **On-Farm Climate Action Fund** in Nova Scotia and Newfoundland and Labrador by Agriculture and Agri-Food Canada for the

2022-23 and 2023-24 fiscal years. The initiative aims to help farmers improve soil health, protect soil from erosion, and tackle climate change by adopting beneficial management practices that store carbon and reduce greenhouse gases. The Program offers funding to help farmers implement nitrogen management, cover cropping, and rotational grazing practices. In 2022-23, Perennia paid out $3,194,364 to 97 farms, one co-operative and one community pasture in Nova Scotia and five farms in Newfoundland and Labrador.

In 2022-23, Perennia worked the Nova Scotia Department of Agriculture to complete the final year of the **Weather Intelligence Program** which supported producers in purchasing weather stations, provided on-site installation and technology support and advice. In total, over 100 weather stations were purchased and installed, creating the most current comprehensive network of weather stations for the farming industry in the province.

Perennia created a **Farm Data Tools website** (farmdatatools.ca/.com) as a hub for online tools, calculators, and models to help producers use the data from the weather stations to make effective crop management decisions.

In 2022-23, Perennia developed two automated tools for farmers that are available on the website. One is an **Interactive Farm Weather Map** displaying weather stations and the current conditions, plus a **Growing Degree Day Calculator**. Growing degree days are a measure of heat accumulation based on daily air temperature. Growing degree days are used to estimate the growth and development of plants and insects during the growing season. The second tool is **PomeBlight,** a fire blight infection alert model developed by Perennia using a model originally developed at the University of Maryland.

Fire blight is a bacterial disease of apple and pear trees that can devastate whole orchard blocks during severe infections. The most critical time of the disease cycle is the blossom blight phase. Properly timed management with antibiotics at bloom can prevent infection to protect the health of your trees. PomeBlight allows tree fruit producers to connect their orchards to a nearby public or private weather station, add in a few variables of tree growth and receive low, medium, or high alerts for infection. These alerts give them the time needed to take action to protect their fruit.

This year Perennia planned for the launch of our **Plant Health Lab**, which will offer disease and virus testing and a plant pathology advisory service. The Plant Health lab has two locations (Acadia University and the Perennia Innovation Centre) and will accept fee-for-service testing work in May 2023 with reduced fees for registered Nova Scotia farmers. Having a local lab will reduce the need to ship samples to Ontario and British Columbia for testing.

Perennia continued to implement the province's **Agriculture Production Extension Program**, which was established in 2001 and is funded through the Nova Scotia Department of Agriculture. Through this program, Perennia helps farmers learn new skills, gain new knowledge, and grow their farm operations though resources, field days, and advice. In addition to supporting farmers, our team also works with industry associations to advance initiatives that require our specialized production advice and knowledge and to provide

agronomic support to producers. In 2022-23 our specialists handled 2,608 requests for information and advice though in person farm calls, phone calls, emails, texts, etc. The team also proactively developed or delivered 396 fact sheets, blog posts, videos, webinars, field days and newsletters.

In 2022-23, Perennia invested in promoting its **field research program** to conduct applied research for clients on new crop products to assess the efficacy for local growers, and field crop variety trials so producers have local performance information when choosing seed. Our field research trial revenue increased 47 per cent over 2021-22. While we had intended to pursue certification for this research program, the increased workload left little time for this initiative. It will be pursued through 2025.

The **Centre for Marine Applied Research**, a special division under Perennia, continued its work on several fronts including coastal mapping assessments and grade school aquaculture educational initiatives with the Nova Scotia Department of Fisheries and Aquaculture, as well as a study of how our warming oceans are impacting lobsters funded under the Atlantic Fisheries Fund. The Centre's portfolio of projects continues to grow, and it is anticipated that will continue through the next several fiscal years.

Priority 2: Provide specialized support to get more Nova Scotia products to market

Perennia is a key collaborator in getting more Nova Scotia products into local, national and international markets through applied research on new products, development of new food and beverage products and helping businesses achieve quality and food safety certifications.

This fiscal year was the last for the **Food and Beverage Business Accelerator Program** which Perennia offered in partnership with the Nova Scotia Department of Agriculture. This program supported new and current food and beverage businesses with technical advice, training and resources to 'accelerator' through barriers to market success. In 2022-23, 11 companies were supported with product development, labelling, shelf life and quality and food safety program coaching. Over 134 provincial food and beverage companies received regulatory food safety support including assessments and testing on new food and beverage products to identify and address food risks, pathogen monitoring programs, and facility reviews to reduce the risk of cross contamination. Forty-two resources were developed in addition to 20 training sessions and 10 webinars. This work will continue under the new Federal-Provincial Sustainable Canadian Agricultural Partnership.

The **Seafood Accelerator Program**, funded by the Nova Scotia Department of Fisheries and Aquaculture, works to support growth in Nova Scotia's seafood industry by assisting with food safety compliance, accessing and maintaining global markets, supporting development of new value-added products and refining and improving existing seafood

products. In total, 21 projects were completed, including supporting seven companies to achieve or maintain international food safety certification. Several projects also supported developing products and addressing technical obstacles through packaging solutions, conducting shelf-life studies, conducting market viability studies, developing, and delivering seafood science training, and working on product prototypes. This program will be offered again in 2023-24.

In partnership with First Nation and non-indigenous harvesters, Perennia continued to lead a project to build the capacity of **Nova Scotia's sealing industry** and develop economic opportunities to fully utilization of a grey seal for meat, oil and fur products. Funded by the Atlantic Fisheries Fund, Certification and Market Access Program for Seals, and the Nova Scotia Department of Fisheries and Aquaculture, the aim of the initiative is to generate a long term, commercially viable, sustainable, and profitable sealing industry that will economically benefit the province's rural and First Nation communities. It will also address concerns around the impacts of grey seal predation on wild commercial fish stocks. The 2023 season focused on accessing additional harvesting areas around Cape Breton and in Southwest Nova Scotia and recruiting new harvesters from Pictou Landing and Acadia First Nations. Forty-eight new harvesters were trained in humane harvesting, and 38 harvesters participated in a newly developed quality, food safety and properly handling training course. All resources obtained have been used for research, product analysis and product development to advance commercialization of several new seal-based products. This project will continue into 2023-24.

This was the final year of the pilot project to evaluate the **production of long cane raspberries** in Nova Scotia. This was a partnership with Horticulture Nova Scotia, the Nova Scotia Department of Agriculture and two co-operating farms. The goals of growing containerized long canes under cover in field high tunnels are to reduce reliance on imports by filling gaps in Nova Scotia's current production system; improve the quality and shelf life of the berries; and add diversity to varieties available on the market. Producing undercover and in a controlled environment also helps reduce the climate variables often impacting field berry production. Initial results show that using this production system would increase the raspberry season from four weeks to four months. A long cane raspberry production guide was developed as part of the project to guide new operations.

In 2022-23, Perennia completed a project to develop **comprehensive quality standards for the top exported Nova Scotia seafood** species by creating a set of accompanying educational resources to help industry maintain product quality along the value chain. These quality standards will provide confidence for the global market based on several criteria including sourcing and sustainability, traceability, food safety excellence, and premium product attributes. The quality criteria closely align with international certification programs that seafood suppliers are required to meet to access certain global markets or sell to major buyers.

Priority 3: Be leaders in knowledge transfer in our specialty areas

Education and skills development has been part of Perennia's work since it was established in 2001. The response to virtual training during the pandemic solidified our previous considerations that we needed to be more intentional in developing learning products that were convenient for industry to access at anytime.

In 2022-23, we quadrupled our revenue target for training. Perennia's value in training is our hands-on focus and the real world experience our specialists bring. We focus on short form training of a few hours to no more than two days. We offer public and customized training in person and online in real time.

This fiscal year, we also updated and expanded our self-directed online Food Safety Fundamentals Series of seven courses. These will be launched in 2023-24.

We test-launched the Perennia Academy in 2022-23 as our new resource and learning platform with a robust search engine and an account feature so users can save resources, learning course certificates, etc. This fiscal we focused on transitioning resources related to food safety and product development from Perennia's main website to the Academy.

4. Increase profile and assess governance options

Perennia has a variety of powerful tools that can help companies reach their goals. In 2022-23 we continued to focus on a proactive approach to sharing awareness of what we offer, our client successes and utilizing the CEO, team and Board to build our profile and that of our partners.

The Perennia Board was also interested in a plan to codify the agency's mandate as part of the Province's Crown agency review process. In July 2022, the review resulted in Perennia being selected to become a legislated Crown Corporation. In December 2022, the *Perennia Food and Agriculture Corporation Act* was proclaimed.

In 2022-23, we developed marketing, communications and promotions plans with a focus on program and resources uptake, and agriculture and analytical services. At our Annual General Meeting at the end of June 2022, we shared project updates by video and our financial performance for 2021-22. Approximately 60 people attended in person.

This fiscal year we had a target to increase our online and social media metrics by five percent in 2022-23. Our total posts increased by 47.4 per cent over the number posted the previous year. Total engagements (likes, shares, mentions) increased by 16.6 per cent over 2021-22. On our flagship website – perennia.ca – the number of page views increased by 2.5 per cent.

Annual Report under Section 18 of the *Public Interest Disclosure of Wrongdoing Act*

The *Public Interest Disclosure of Wrongdoing Act* was proclaimed into law on December 20, 2011.

The Act provides for government employees to be able to come forward if they reasonably believe that a wrongdoing has been committed or is about to be committed and they are acting in good faith.

The Act also protects employees who do disclose from reprisals, by enabling them to lay a complaint of reprisal with the Labour Board.

A Wrongdoing for the purposes of the Act is:

a) a contravention of provincial or federal laws or regulations

b) a misuse or gross mismanagement of public funds or assets

c) an act or omission that creates an imminent risk of a substantial and specific danger to the life, health or safety of persons or the environment, or

d) directing or counselling someone to commit a wrongdoing

The following is a summary of disclosures received by Perennia:

Information Required under Section18 of the Act	Fiscal Year 2022-2023
The number of disclosures received	0
The number of findings of wrongdoing	0
Details of each wrongdoing	0
Recommendations and actions taken on each wrongdoing	0