

## MINISTRY OF AGRICULTURE AND FOOD

### BUILD CAPACITY FOR FOOD PROCESSING IN THE AGRICULTURE INDUSTRY BY MODERNIZING THE AGRICULTURE LAND RESERVE

#### Issue

The Agriculture Land Reserve has long been a key tool for protecting farmland in British Columbia. While ensuring the viability of precious agricultural land for future generations is critical, BC's long-term food security is at risk due to barriers to allowing on-farm food processing in many of the province's most productive agricultural areas.

#### Background

BC is a recognized producer of high-quality, safe, nutritious agricultural products. As Canada's most diverse agricultural province, BC has over 300 commodities, from fruits and vegetables to grains and oilseeds, dairy, livestock, poultry, eggs, fish and seafood. Innovation is present and relevant in all commodity areas of the sector.<sup>1</sup>

According to the Abbotsford Chamber of Commerce's 2022 Report on Agriculture, the industry represents \$3.83 billion in economic activity annually.<sup>2</sup> The report found that Abbotsford is one of North America's most intensely farmed areas and has the highest farm sales per hectare of any other City in Canada. This directly contributes to the economy, creating jobs and food security in the province and country. Today, this \$3.83 billion in economic activity is up from \$1.8 billion in 2008.<sup>3</sup>

As one of the primary employment drivers for the region, agriculture accounts for over 16,000 full-time jobs, equating to 23% of all jobs in the city. Agriculture has been the driving force behind growth and a stable, expanded local economy.

British Columbia, home to some of the most productive agricultural land in the country, also faces sector constraints due to the Agriculture Land Reserve.

The Agriculture Land Commission (ALC) continues to practice stewardship under its regulatory framework – serving the purposes of Section 6 of the *Agricultural Land Commission Act*, i.e.:

- (a) to preserve the agricultural land reserve;
- (b) to encourage farming of land within the agricultural land reserve in collaboration with other communities of interest;
- (c) to encourage local governments, first nations, the government and its agents to enable and accommodate farm use of land within the agricultural land reserve and uses compatible with agriculture in their plans, bylaws and policies.

This reserve was created in 1973, and the industry and the food security needs of British Columbians have changed significantly, showing a need for modernization. Today's ALR creates barriers to agricultural excellence, industry expansion, and business growth, hampering BC's food security due to limiting Land Use policies.

Some new regulations and policies have become law since 2018. Permitted uses in the ALR are identified in the Act.<sup>4</sup> However, these changes have not gone far enough.

Furthermore, agriculture is one of the oldest industries on the planet. In a world where technology has completely transformed the way we live together and connect with one another, agriculture is, in some

<sup>1</sup> BC Food Security Task Force. The Future of BC's Food System. July 2019.

<https://engage.gov.bc.ca/app/uploads/sites/121/2020/01/FSTF-Report-2020-The-Future-of-Food.pdf>

<sup>2</sup> Abbotsford Chamber of Commerce. Canada's Agricultural Hub Report. May 2022.

<sup>3</sup> *Ibid.*

<sup>4</sup> [BC Chamber Policy](#). Agricultural Land Commission Regulation Reform: Creating Principles-based farmland use policy 2021.

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ways, one of the last sectors to be disrupted.<sup>5</sup> The global population continues to rise, which will require an increase in global agricultural production and the introduction of more efficient agricultural practices.

The modernization of agriculture has resulted in a more industrial approach to farming, and agricultural innovation has led to a shift towards technological improvements and an emerging Agritech sector. However, the ALR's interpretation of land use has not been updated to reflect these significant changes.

According to the Greater Vancouver Board of Trade, industrial lands make up just 4% of the region's total land mass but result in over 450,000 direct and indirect jobs, \$50.1 billion in GDP, and an overall output of \$92.5 billion.<sup>6</sup> Given that industrial land generates a third of regional GDP and more than one in four jobs (27%) are located on industrial lands<sup>7</sup>, the shortage of industrial land is a major economic inhibitor to regional economic development.

In the same report, NAOIP Vancouver states, *“Industrial lands are some of the most productive in the region based on economic output, jobs and wages. Priority needs to be placed on the addition of more industrial lands to Metro Vancouver and the Fraser Valley to continue to support the movement of food and goods and to create and maintain jobs in our region. With the critical shortage of industrial zoned and serviced land, we have lost industrial businesses and the accompanying economic benefits to other regions and this trend will continue unless all three levels of government make an effort to address the issue.”*

In today's leading agricultural areas, farmers are challenged by the ability to do on-farm processing and value-added agriculture as it doesn't fit the constraints of the ALR. Food processing is considered an 'industrial use'; however, in a context with such a significant shortage of industrial land, finding a way to free up land for ag-industrial could relieve the broader industrial land shortage. A new category of ag-industrial use would enhance food security, create economic opportunity for agribusinesses, and reduce highway traffic and emissions from trucking agricultural products to far-away locations for processing. It would also allow BC to keep processing and value-added agriculture jobs in the province.

Our province is also affected by changes in policy by our neighbours. Alberta's agri-food processing industry is growing, with food manufacturing sales reaching a record \$22.7 billion in 2022, more than 20% of total provincial manufacturing sales. In its Agrifood Investment and Growth Strategy, Alberta has set targets to grow value-added processing capacity by attracting \$1.4 billion in investment by March 2023, creating about 2,000 jobs in the province.<sup>8</sup> Due to BC's more challenging regulatory context, this competitive edge impacts the flow of capital and investment for producers who may consider other locations.

It's about protecting suitable land for agriculture while ensuring we can support and grow a critical agricultural production industry for the long term.

### THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Through the Agriculture Land Commission, allocate lower quality agricultural land (soil type 4-7), equating to approximately 0.25% of the province's Agricultural Land Reserve (ALR) for agricultural-industrial use, as recommended in the Food Security Taskforce Report.

*Note: This is a new 2024 policy resolution.*

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<sup>5</sup> BC Food Security Task Force. The Future of BC's Food System. July 2019.

<sup>6</sup> GVBOT. The Consequences of the Industrial Land Shortage. September 2023.  
<https://www.boardoftrade.com/advocacy/industrial-land-shortage>

<sup>7</sup> *Ibid.*

<sup>8</sup> Alberta Agrifood Investment Strategy 2023. <https://www.alberta.ca/agri-food-investment-and-growth-strategy>