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July 3, 2024

## Subject: BCAC Submission on Preventing Waste Outside the Home

To Whom It May Concern,

Thank you for the opportunity to contribute feedback from the agriculture sector in response to the Ministry of Environment and Climate Change Strategy's recent discussion paper titled *Preventing Waste in British Columbia: Non-Residential Packaging & Paper Products*. BC Agriculture Council (BCAC) recognizes that this is an important part of delivering on the Government of British Columbia's commitment to reduce single-use and plastic waste in our communities.

BCAC's mission is to grow a strong, sustainable and competitive agriculture sector through building industry consensus and advancing public policy. We achieve this by delivering a unified voice to government through the 30 unique commodity associations that we represent. In turn, our member associations represent some 20,000 farm families from across our province, generating approximately 96% of provincial farm gate sales in B.C.

Our province's farmers and ranchers have faced unprecedented challenges in recent years regarding the affordability and availability of inputs critical to agricultural production. This has included fertilizer costs in many regions of B.C. more than doubling in a single year, as well as 40 to 50% increases in farm equipment prices, costs for crop protection products growing by 30 to 40%, and more. These increases have been due to a range of factors beyond the influence of individual farmers, such as disruptions to global supply chains, climate change, the COVID-19 pandemic, high interest rates, and high inflation.

Due to the long-term nature of the supply contracts between agricultural producers and retailers, it has largely not been possible for farmers to pass these increased costs on to consumers and the resultant narrowing of profit margins is threatening the financial viability of farming in many areas of the province. Based on Statistics Canada's return-on-assets ratio, B.C. is the second least profitable province in which to farm as of 2023. In some cases, farmers have been unable to generate revenues let alone profits because of extreme weather events, as demonstrated by the January 2024 cold snap that devastated the production of many kinds of tree fruits and grapes in the Okanagan region.

As such, it is vital that any application of the extended producer responsibility (EPR) concept to agricultural packaging waste in our province, such as through Cleanfarms regulated programs as contemplated in Table 4 of the discussion paper, is matched with funding commitments from the Government of B.C. so as to ensure that farmers do not face further increases in the material costs of those goods essential to growing the food that B.C. communities need. Even regulated programs that are local or regional in scope and focus on highly specific types of packaging waste, such as grain bags or baling twine, will have development costs associated and very few farmers at this time can afford to contribute toward the development of these programs through further input price increases and fees.

It is also unclear how consumers would bear the costs associated with the application of EPR more generally and to what extent the Government of B.C. has considered the potential impacts this may have on our province's marginalized individuals and families. In a 2021 study of EPR's potential impact in Ontario, titled "Modeling impact on consumer-packaged goods pricing resulting from an increase in the steward obligation," Dr. Calvin Lakhan (Faculty of Environmental Studies, York University) estimated

that most grocery bills would grow by 6 to 10%. This increase would come from other food system partners – retailers, processors, and shippers, for example – as they seek to offset the costs associated with implementing EPR, rather than from farmers and ranchers. Nonetheless, new and significant increases in British Columbians' grocery bills may negatively impact their confidence in the province's food system.

Further, it is important to note that voluntary programs are already successfully implemented in B.C. with support from Cleanfarms, including for unwanted or outdated livestock medication and crop protection products as well as empty totes, drums, and containers that can hold volumes of 23 litres or less. Pilot programs are in progress in a few communities in B.C. to collect baling twine, bale wrap, silage plastic, and grain bags, also with support from Cleanfarms. Wherever possible, voluntary programs like these should be favoured in B.C. as farmers may prefer to reuse or repurpose packaging, which is a more effective approach to waste reduction than recycling, and regulated programs may be unfeasible in some regions due to a wide range of factors, which can include but are by no means limited to the geographic diffusion of farm operations within the region, the diversity of the commodities grown and types of packaging used, and the geographic distance between farm operations and collection sites.

Finally, to ensure the success of any new or expanded programs, the Government of B.C. must also be prepared to commit resources toward raising awareness of those programs as well as their potential benefits to farmers and the environment. Among agricultural producers, there is uneven awareness of the voluntary programs implemented with support from Cleanfarms in part because the programs are regional in scope or are specific to only a few types of farm operations. Material recovery can be maximized if end users of various forms of packaging understand the value of participating in recycling and recovery programs, and an effective method of achieving buy-in among agricultural producers could be to clearly communicate how much farmers could save in landfill fees from participation in programs like those supported by Cleanfarms.

To briefly summarize, our recommendations in response to the Ministry's discussion paper on nonresidential packaging and paper products are:

- Favour voluntary programs wherever possible to account for feasibility gaps in waste collection;
- Commit financial resources from the Government of B.C. to offset the development costs of any new or expanded programs related to agricultural packaging; and,
- Clearly communicate to farmers and ranchers the public service good and potential financial savings that can be achieved through any new or expanded programs.

If you might require any additional information or details regarding the points we have raised here or other aspects of packaging waste handling in the agriculture sector's context, please do not hesitate to contact Danielle Synotte, BCAC's Executive Director, via email at <u>dsynotte@bcac.ca</u> or via telephone at 604-854-4483.

Thank you once again for the Ministry's commitment to consult on this important topic and complex policy issue. We look forward to further opportunities to contribute the perspectives of farmers and ranchers, and we appreciate any collaboration that can advance the sustainability of agriculture in B.C., including the economic, social, and environmental pillars of that sustainability.

Sincerely,

Jennifer Woike, President BC Agriculture Council