

May 6, 2025

Lawrence Hanson
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Canada
Sent Via Email: lawrence.hanson@agr.gc.ca

Re: Advancing CFA's Federal Election Priorities in the Context of BC Agriculture

Dear Mr. Hanson,

I am writing to you on behalf of BC Agriculture Council (BCAC), which delivers a unified voice to government for British Columbia's agriculture sector. Our membership, which is comprised of 29 distinct commodity groups, represents about 20,000 farm families who together account for 96% of farm gate sales in B.C. Our mission is to grow a strong, sustainable, and competitive agriculture sector through building industry consensus and advancing public policy.

B.C.'s agriculture sector operates in a uniquely complex and climate-sensitive environment, making federal support both essential and time-sensitive. As a member of the Canadian Federation of Agriculture (CFA), we provided input into their national election priorities, which offer a strong framework for advancing farmer-focused policy across Canada.

Through this letter, we wish to emphasize how some of those priorities are deeply aligned with our province's distinct experience, especially as regional pressures in B.C. may mirror or foreshadow national challenges. For example, our earlier growing season means our producers are often the first in the country to face and report issues related to temporary foreign worker logistical challenges. BCAC's current sector-wide priorities, in order, include:

- 1. Stronger Water Security and Investment in Water Storage**
- 2. Farm Business Competitiveness**
- 3. Business Risk Management (BRM) Program Review**
- 4. Labour Access and Stability**
- 5. Emergency Preparedness and Response**

With a strong new mandate from Canadians, we understand that the government's work on new mandate letters will have begun in earnest. BCAC is readily available to meet at any time to contribute our perspective as such work continues. We also wish to extend an invitation to you and to the Minister to visit B.C. at your earliest convenience. Our organization is prepared to support such a visit, facilitating tours of relevant sites and meetings that allow for a deep appreciation of the diversity in B.C.'s agriculture sector.

Sincerely,



Danielle Synotte
Executive Director, BC Agriculture Council

1. Stronger Water Security and Investment in Water Storage

***Note:** *There was no CFA election priority on water security. However, BCAC wishes to share concrete proposals for your consideration.*

B.C. Election Priority: *Ensure agricultural water security by investing in climate-resilient irrigation, water storage, and emergency water access infrastructure in high-risk regions. These investments should be developed in partnership with regional watersheds and farm organizations. They should also prioritize regions most vulnerable to climate extremes.*

In addition, it is important to empower the Canada Water Agency with the capacity to lead a data-driven national strategy, consolidating fragmented federal water data sources—such as the Canadian Drought Monitor and streamflow data—into a single, accessible platform to support watershed planning, drought preparedness, and informed decision-making for producers and governments.

B.C. Context: British Columbia offers a clear case for urgent federal action. Multi-year droughts across the province have severely depleted reservoirs, forced irrigation restrictions, and impacted yields for many agricultural sectors. At the same time, catastrophic flooding and atmospheric rivers overwhelmed outdated diking and drainage systems, causing major losses to crops, livestock, and infrastructure. These climate-related shocks are becoming more frequent and severe, yet much of B.C.'s water infrastructure was designed for a different era and is no longer adequate. To address this, the federal government should dedicate funding through programs like the Sustainable Canadian Agricultural Partnership (SCAP) and the Disaster Mitigation and Adaptation Fund (DMAF) to support:

- Irrigation system modernization (SCAP)
- Regional and on-farm water storage (SCAP)
- Emergency water delivery capacity (SCAP)
- Flood protection infrastructure (e.g., dikes and drainage) (DMAF)

Water data systems also require significant improvements. Currently, water-related data is fragmented across federal departments, limiting the ability to make timely, informed decisions. The Canada Water Agency can play a vital role in consolidating this data into a single, accessible platform to support drought preparedness, watershed planning, and on-farm decision-making. With its early growing season, regional diversity, and multiple years of climate disasters and extremes, BC is well-positioned to pilot this kind of integrated, data-driven approach.

2. Farm Business Competitiveness

CFA Election Priority: *Reverse the capital gains inclusion rate increase that took effect in June 2024 and increase the Lifetime Capital Gains Exemption (LCGE) on qualified farm property to reflect the significant rise in farm asset values that has occurred since the LCGE was last adjusted in 2015.*

B.C. Context: Farmland values in B.C. are among the highest in Canada, especially in key growing areas like the Fraser Valley, Vancouver Island, and the Okanagan. These rising land costs mean that both farm succession and new entry into farming are no longer realistic options for many families—especially those without significant off-farm income or savings.

The current Lifetime Capital Gains Exemption (LCGE), which hasn't been updated since 2015, does not reflect how much farmland values have gone up in B.C. Many producers have indicated that high capital gains taxes at retirement can make it more financially appealing to sell to developers or investors rather than passing the farm to their children or a new farmer. This is leading to fewer independent farms and more farmland consolidation, which weakens rural economies and reduces jobs in farming communities across the province.

Family farms are the backbone of B.C.'s rural communities—as 89% of incorporated farms are family corporations. They support local businesses, provide steady employment, and create jobs in places where other opportunities can be limited. When farms are lost or sold off, it doesn't just impact the farm family—it affects the entire local economy.

For new farmers, especially young people trying to get started, the combination of high land prices and outdated tax policy makes entry nearly impossible. Raising the LCGE is a practical step the federal government to help keep farms in families, support the next generation of producers, and protect B.C.'s farming diversity in the face of growing development and climate pressures.

3. Business Risk Management (BRM) Programs Review

CFA Election Priority: *Permanently increase the Advance Payments Program to \$350,000 with predictable funding and streamlined administration requirements to keep costs down for farmers.*

B.C. Context: Producers in British Columbia frequently face cash flow challenges due to the province's high exposure to climate-related disruptions. Events like the 2021 atmospheric river have devastated farms across the Fraser Valley, destroying crops, equipment, and infrastructure, while recent wildfire seasons have severely impacted forage availability, disrupted harvest timelines, and strained transportation networks. These unpredictable and compounding events make it difficult for farmers to plan or invest with confidence. A higher and predictable Advance Payments Program limit would give BC producers the flexibility to manage these shocks and avoid reliance on high-interest credit, particularly during recovery or input-intensive periods.

Additionally, improved transparency and data-sharing around participation rates in existing risk management programs is urgently needed. In B.C., many federal programs see low uptake due to regional misalignment or administrative complexity while others are consistently oversubscribed. Insufficient funding relative to demand and program application processes were both highlighted as concerns by BCAC members during CAP consultations in 2021. Without access to this data, it is difficult for industry and government to reallocate or adjust programming based on actual producer needs. Allowing dollars to move from undersubscribed to oversubscribed programs—based on provincial realities—would significantly improve the responsiveness, equity, and overall impact of federal risk management tools in B.C.

CFA Election Priority: *Take steps to fill a critical gap in Canada's suite of business risk management programs by immediately piloting a new disaster relief program that is responsive, equitable and accessible to all agricultural commodities, including sectors that are currently not eligible for some risk management programs such as the cattle sector, horticulture and aquaculture.*

B.C. Context: Many agricultural producers in our province remain underserved by existing BRM programs, including AgriStability and AgriInvest, which often do not reflect the unique production cycles, cost structures, or climate risks faced in B.C. For example, horticultural crops grown in the Fraser Valley and southern Interior—such as berries, tree fruits, and greenhouse vegetables—are

especially vulnerable to sudden weather events like heat domes, hail, or flooding, but often fall through the cracks of standard BRM supports. Aquaculture operations similarly face risks related to disease, algae blooms, and ocean temperature changes that are not adequately addressed in current programming. AAFC’s 2021 program review of AgriStability also found that “smaller producers are less likely to find the process worth the effort or be able to afford the necessary resources to complete an application,” highlighting the need to create programs that meet the needs of a wider range of farmers in B.C.

The 2021 atmospheric river and subsequent flooding in the Fraser Valley, as well as the 2023 province-wide drought, showed the limitations of the current AgriRecovery framework. Response timelines were slow, eligibility was inconsistent, and financial relief did not reflect the true scale of damage or loss. These events also exposed gaps in the coordination between federal and provincial responses, and the need for a dedicated, permanent disaster relief program that is better equipped to deliver timely, equitable, and accessible support.

To improve future responsiveness, BCAC’s members have also called for greater transparency in how BRM programs are triggered, funded, and delivered. A new disaster relief pilot should be paired with a review of current program performance in B.C. and include a commitment to faster response times, more inclusive eligibility criteria, and clearer provincial-federal coordination protocols. There is broad support for many of these recommendations, such as business advisory firms like MNP and research institutions like the Canadian Agri-Food Policy Institute. Without a new approach, many B.C. producers—especially those in sectors currently excluded or inconsistently supported—remain exposed to escalating climate and market risks without a reliable safety net.

CFA Election Priority: *Establish a new federal program where the Government of Canada guarantees the payment of claims above a certain level during disaster-related events as a measure to encourage private insurance companies to continue offering insurance products to agriculture industries.*

B.C. Context: British Columbia’s agricultural sector is increasingly exposed to disaster-related risks that fall outside the scope of traditional insurance products. The province has experienced several large-scale climate events in recent years. These events have resulted in catastrophic losses of livestock, crops, infrastructure, and feed—often without adequate or timely compensation from private insurers.

As climate-related disasters become more frequent and severe, private insurers are growing more reluctant to underwrite policies in high-risk zones or are pricing coverage at levels unaffordable to

most producers. Without a federal reinsurance or guarantee mechanism, B.C. producers are at risk of being left without any viable insurance options. Establishing a federal backstop to guarantee the payment of claims above a certain threshold would provide the confidence needed for private insurers to remain in the agricultural market.

A federal guarantee program would be particularly valuable in B.C., where regional geography creates highly localized but extreme risk exposures that are difficult to pool across provinces. By offering a federal commitment to backstop high-cost disaster claims, Canada can help ensure that producers in our province and across the country maintain access to essential insurance tools that protect livelihoods, rural employment, and food security for British Columbians.

4. Labour Access and Stability

CFA Election Priority: *Ensuring the agriculture streams of the Temporary Foreign Worker Program (TFWP) are maintained to support farmers’ seasonal and temporary needs, while at the same time supporting pathways to permanent residency for experienced temporary foreign workers by making the Agri-Food Pilot permanent and inclusive of all agriculture sectors to help meet the industries’ year-round labour needs.*

B.C. Context: British Columbia’s agriculture sector is highly dependent on the Seasonal Agricultural Worker Program (SAWP) and other agricultural streams of the Temporary Foreign Worker Program (TFWP). Despite ongoing domestic recruitment efforts, many farm jobs remain unfilled. B.C. is also home to the earliest growing season in the country, which means the province is often the first to experience and report labour-related issues each year. Delays or shortfalls in worker arrivals have a disproportionate impact on B.C. producers, who must begin planting, pruning, or harvesting weeks ahead of other regions. Backlogs in processing TFW applications or inconsistencies in program delivery can lead to missed harvests, lost revenue, and lasting damage to international market relationships. TFWs are essential to maintaining farm operations, ensuring food security, and contributing to economic growth in B.C. and across Canada.

It is critical to preserve and strengthen both SAWP and the broader TFWP by maintaining clear program distinctions that reflect the agriculture sector’s specific needs. The proposed new Foreign Labour Program for Agriculture and Fish Processing, currently under consultation, raises concerns about potential impacts on existing, proven program streams. Any changes must be carefully considered to avoid unintended consequences that could disrupt access to labour for Canadian farms.

Labour shortages remain one of the most urgent challenges facing agriculture. Expanding pathways to permanent residency for experienced agricultural workers—many of whom return to the same B.C. farms every year—would reduce turnover, stabilize the workforce, and improve long-term retention in an industry where skilled, dependable labour is essential for competitiveness and sustainability.

5. Emergency Preparedness and Response

CFA Election Priority: *Ensure that Canada’s trade and domestic transportation infrastructure is world-class by recapitalizing and extending the National Trade Corridor Fund to assist in upgrading aging infrastructure while at the same time immediately launching consultations with stakeholders to identify additional supply chain vulnerabilities and prioritize investments aimed at improving the transportation of agricultural goods to market.*

B.C. Context: British Columbia’s agricultural sector depends heavily on efficient, reliable trade and transportation systems. The Port of Vancouver, Highway 1, and Class 1 rail corridors are vital export routes for perishable agri-food products like blueberries, greenhouse vegetables, dairy, and seafood. However, B.C.’s transport infrastructure is increasingly strained, leaving producers without a way to get goods to market.

Along with weather-related disruptions, ongoing labour disputes—including strikes at ports, railways, and commercial trucking operations—have further destabilized supply chains. These disruptions compound delays, increase spoilage risk for perishable goods, and undermine Canada’s reputation as a reliable trading partner.

To protect the competitiveness of B.C.’s agri-food sector, infrastructure investments must focus on climate resilience and provide potential pivots in case of disruption. This includes upgrading dikes and drainage systems, improving road and rail backup capacity, and modernizing cold chain and logistics infrastructure. Strengthening the transportation network is essential to ensuring that B.C. and Canadian producers can move goods quickly, safely, and predictably in an increasingly unstable operating environment.