BC AGRICULTURE COUNCIL

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September 17, 2026

Hon. Lana Popham
Minister of Agriculture and Food
Government of British Columbia
PO Box 9043 STN PROV GOVT
Victoria, BC V8W 9E2

Sent via email: AF.Minister@gov.bc.ca

Subject: Regarding Potential Changes to the Agricultural Land Reserve (ALR) Use Regulation

Dear Minister Popham,

On behalf of British Columbia's farmers and ranchers, thank you for the opportunity to contribute feedback in response to the Ministry's recent discussion paper on a potential new rule regarding processing in the Agricultural Land Reserve (ALR). We also appreciate your willingness to extend the engagement period, allowing more time for producers to learn about and respond to the discussion paper at a time when the agricultural sector is challenged by wildfire, drought, and tariffs imposed by the United States.

BC Agriculture Council (BCAC) is the unified voice of our agriculture sector, representing over 20,000 farm businesses and more than 96% of farmgate sales in British Columbia (B.C.) through our member associations. We work to advance policies that support a strong and competitive agriculture sector across our province.

BCAC and our member associations want it clearly known that we support the processing sector and, in fact, acknowledge that the strength of the processing sector is essential to the long-term success of B.C. farmers and ranchers. The feedback that follows should not be taken as a dismissal of the challenges facing B.C.'s processing sector; those challenges are genuine and we remain committed to working with government and industry to address them through means better suited to the task than this proposal.

On behalf of our membership and our Board of Directors, it was unanimous that the BCAC Board recommends maintaining the current rules regarding processing in the ALR. There are several specific reasons for why the sector is opposing the proposed new rule, and we must also express our concern at how the topic of processing in the ALR has been approached.

<u>What We Heard</u>

In engaging with our membership, the overwhelming majority expressed concern that the proposed new rule would negatively impact the strength and competitiveness of our sector, seriously compromising the integrity of the ALR in exchange for **limited** economic benefit. British Columbians are rightly proud of the ALR as a distinct policy tool for ensuring land is available and relatively affordable for primary agricultural production. Based on our efforts to measure and track public opinion, we understand that many people in this province see the ALR as critically important to the food security of our communities.

<u>Reducing the Threshold From 50% to 5%</u>

First, we must express concern at the proposed requirement that at least 5% of the primary product be sourced from B.C. We believe this requirement is too low to realistically incentivize increased production within the province. The membership overwhelmingly felt that 5% is not far removed from 0% and, at a time when the Agricultural Land Commission (ALC) has limited resources available for compliance and enforcement activities, this change may be interpreted as such by some actors. Even among those that honour the 5% requirement, such a low threshold of B.C. product would afford the opportunity for some food processors in B.C. to increase their reliance on primary product sourced from the United States and other competitors at a time when both the public and governments are calling for less reliance on inputs sourced from outside Canada. It would be a more appropriate balance to require that at least 50% of the product is sourced from B.C. to qualify under the new rule, though only so long as the ALC continues to have oversight and is properly resourced to ensure compliance.

However, we do note that even this change would weaken the connection between where primary product is sourced and where it is processed.

In the discussion paper, the Government of B.C. commits to cap the maximum amount of land eligible under the proposal to no more than 21,000 square kilometres. But this is already a very substantial swath of land, and there were strong concerns from our membership that the sector would have little to no recourse if the Province were to raise this cap at a later date in response to pressure from other competing land interests. As such, the cap offers little reassurance. The new rule, even with this cap, carries the significant potential to chill the investment climate for new entrants and existing producers who may have otherwise expanded their operations as increased competition for ALR lands from entities with greater access to financing opportunities risks raising prices beyond what farmers and ranchers can realistically afford.

At the same time, the discussion paper does not present any compelling reasons for the proposed new rule to be adopted. In its own 2024 State of the Industry Report, BC Food & Beverage (BCFB) surveyed its membership on the challenges facing the processing sector and the top three identified were economic conditions, labour shortages, and supply chain disruptions. Land availability or affordability did not appear even within the top ten issues identified by these companies in the 2024 edition. This was validated in BCFB's 2026 State of the Industry Report, in which respondents identified economic conditions, cross-border trade issues, and raw material costs as their top three concerns but again not the cost or availability of industrial land.

Farmland Affordability

Farmland affordability is already a significant challenge for the agriculture sector in B.C. According to Farm Credit Canada's 2025 Farmland Values Report, the highest average farmland prices in Canada can be found in our province and, in particular, in the Fraser Valley. Increased competition for these lands under the proposed new rule would only serve to further exacerbate this affordability issue and constrain future growth in primary production. It is competition at a level that producers cannot match – pricing out the next generation of farmers and ranchers.

However, the discussion paper does not acknowledge this potential challenge. In the absence of any policy or program proposals from the Ministry on how to mitigate the collateral impacts this new rule would have on farmland affordability, farmers and ranchers are understandably very concerned.

ALR Governance and Oversight

The current rules governing the ALR already include a "limited exception" for agricultural lands to be used for processing: applying to the ALC for the exclusion of lands from the ALR. The ALC has demonstrated that it is supportive when a compelling case is made that an industrial-scale food processing operation must be located close to or on agricultural lands to succeed. In 2025-26, the ALC approved 80% of the exclusion applications it received. Requiring an exclusion application allows the ALC and the relevant local government to exercise necessary oversight and to assess what impacts, positive or negative, changes to agricultural lands may have on the agriculture sector locally or regionally. Without at least this safeguard, there is too great a risk of unintended consequences.

At the same time, the proposed new rule would remove ALC oversight at the front end of the process, leaving it to local governments alone. Municipal land use priorities do not always align with protecting agricultural land for agricultural production, and some local governments already view ALR lands within their boundaries as an obstacle rather than an asset. As such, local governments alone cannot be expected to provide oversight under this proposed new rule. It would also push the ALC's governance and oversight to the back end of the process – that is, compliance and enforcement. This approach is unlikely to be successful at a time when the ALC is already severely under-resourced.

The Premier's Task Force on Agriculture and Food Economy recommended reviewing and evaluating the purpose and effectiveness of the ALR, including reviewing and modernizing the governance and structure of the ALC. Implementing this recommendation would be a more effective way of addressing concerns, comprehensively examining the scope, purpose, and resourcing of oversight in the ALR.

Soil Classification

Next, BCAC and its members were incredibly disappointed by the assertion that certain soil classes are "not well suited for primary production". One of the strengths of the B.C. agriculture sector is its incredible diversity. While there are some types of farm operations that are unlikely to perform well in classes 4-7 soils, there are also many types of farm operations that excel in these soils and some of these sub-sectors are positioned for significant expansion and economic growth in the coming years. The Canadian and B.C. soil classification system was never intended to determine eligibility for ALR protections. These systems are only intended to identify suitability of soils for mechanized crop production, not the many other methods of agricultural production that may be possible, such as but by no means limited to animal agriculture, non-mechanized crop production, and controlled environment agriculture. Further, environmental factors and **deliberate actions can change the soil class of a property either up or down the scale**, and so a reliance on soil class alone to determine the suitability of land for agricultural production creates substantial risk of abuse and is an inappropriate use of the system. It is with great frustration to say that BCAC and our member associations have been sharing the above feedback on many occasions over the past few years only for it to be completely ignored.

Servicing

The paper does not offer any detail as to what level of "servicing" would be a prerequisite for food processing on properties with class 4 soils. The assurance offered in the paper that this new rule will be a "limited exception, not a general industrial-use pathway" is not sufficient to address the real concerns local governments and agricultural producers have about how this lack of a clear definition may conflict with the water and sewer demands of industrial-scale food processing operations in some regions of the province.

In Closing

Processing plays an important role in B.C.'s agrifood economy, but the proposed new rule does not address the structural challenges identified by processors themselves. These structural challenges are not unique to B.C. and so cannot be attributed to the ALR. As noted in Food, Health, and Consumer Products of Canada's most recent Industry Sustainability and Competitiveness Report, "…manufacturing capabilities have remained constant in Canada, with little to no change in the total number of plants." Earlier research by Statistics Canada has found that the average lifespan of a manufacturing facility in Canada is 9 years and 14% close within their first year of operations.

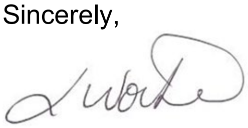
Adopting the new rule for processing in the ALR even as labour shortages and other national challenges persist would create conditions favourable for some processors to relocate from elsewhere in Canada to B.C. but would not attract any new investment from within Canada or overseas. This internal competition over a few large processors prevents Canada from asserting itself internationally as an agrifood powerhouse, as other plays adopt more nationally coordinated strategies for investment attraction.

To reiterate, and for the reasons noted above, it is the position of the BCAC Board that we are opposed to the proposed new rule for processing in the ALR for several reasons:

- it will further exacerbate the problem of farmland affordability, severely constraining growth of primary production in B.C.;
- 5% is too low a threshold to actually incentivize increased primary production in B.C., whereas 50% BC product is a more effective balance so long as the ALC continues to have oversight and is properly resourced to ensure compliance;
- the cap of 21,000 square kilometres is already too high;
- it will be difficult or impossible for the ALC to provide adequate oversight and undermines the ALC's governance role;
- it is based on the faulty assumption that certain soil classes are not well suited to primary agricultural production;
- it does not address the potential resource impacts this may have on local governments;
- it does not respond to the actual challenges that deter investment in processing in B.C. and Canada; and
- it does not offer a more effective policy solution than the current ALR exclusion process when it comes to protecting land for primary production and creating pathways for industrial-scale food processing.

Thank you once again for the opportunity to respond to your Ministry's discussion paper and the proposal. In case of any questions or a need for additional information, please do not hesitate to contact BCAC's Executive Director, Danielle Synotte, via email at dsynotte@bcac.ca or via telephone at 604-854-4454.

Sincerely,



Jennifer Woike, President
BC Agriculture Council