

Provincial Government Increases Investment in Agriculture

ABBOTSFORD – The provincial government has tabled its fourth consecutive balanced budget. The fresh budget includes new provisions to support the growth and sustainability of agriculture in British Columbia. B.C. Agriculture Council (BCAC) Chair, Stan Vander Waal, says the provincial government’s renewed focus on agriculture is appreciated and appropriate.

“Investment in agriculture is a no brainer,” says Vander Waal. “Agriculture is a sustainable economic pillar and it’s regarded by the United Nations as one of the most effective ways to reduce poverty and hunger, especially in rural communities. Investment in the resilience of B.C. agriculture is an investment in the health of British Columbians and the long-term success our provincial economy.”

BCAC is carefully reviewing the new budget to identify potential impacts to agriculture and new opportunities for B.C. farmers and ranchers. Overall, Vander Waal describes the new budget as “a positive step in the right direction” but notes that several additional steps are needed to help B.C. farmers and ranchers overcome significant challenges related to farm succession planning, right to farm and industry competitiveness.

“While this budget does not include everything needed to secure the long-term sustainability of agriculture in our province, it’s clear that BCAC’s voice was heard. We commend the provincial government for maintaining strong fiscal control and for upholding an AAA credit rating. BCAC thanks B.C. Minister of Agriculture, Norm Letnick and his colleagues for listening to B.C. farmers and ranchers. Equipping the Agriculture Land Commission with sufficient dollars to proactively monitor and enforce regulations on land located within Agriculture Land Reserve will help keep B.C. farmland for farming, safeguarding provincial food security and farmers’ capacity to farm”.

Budget Highlights:

- As requested by BCAC, the provincial government will invest an additional three million dollars over the next three years (1.1 million in 2016/17) to help the Agriculture Land Commission (ALC) proactively monitor and enforce compliance on land located within the Agriculture Land Reserve to keep farmland for farming.
- As requested by BCAC, qualified farmers will enjoy new PST exemptions. Telescopic handlers (e.g. for handling forage/hay/manure/pallets), skid steers and polycarbonate greenhouses are now PST exempt for bonafide farmers. BCAC has been requesting fundamental changes to PST for several years. While these new exemptions are appreciated, they do not go as far as BCAC would like to see. Going forward, the Province is establishing a committee that will review PST to identify and address key factors impeding competitiveness. The terms of reference for this committee will exclude consideration of the HST.
- As requested by BCAC, the provincial government will continue to fund and facilitate rural connectivity to bring high speed internet to rural parts of the province. Connectivity is an important investment that supports the competitiveness of BC farmers and ranchers and it also helps improve safety of workers in remote locations.

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Budget Highlights (cont.):

- The Province has allocated an additional two million dollars to BC's Buy Local program to facilitate increased sales of BC grown, raised and processed agricultural products. Independent agrifood businesses and organizations can apply to IAF to access this cost shared funding. BCAC supports investment that builds preference for BC grown and raised agricultural products, but we continue to ask government to invest in a more strategic, long-term and inclusive approach to support the growth of the entire agriculture and agri-foods sector, not just individual operations.
- Farmers Food Tax Credit. Farmers can now obtain a non-refundable tax credit valued at 25% of the fair market value of qualifying product donated to a registered charity.
- Continued Agriculture in the Classroom funding for fruits, vegetables and dairy.
- As requested by BCAC, funding for climate change adaptation, including funding for dikes and flood mitigation (\$55 million), wild fire management and emergency response planning.
- Funding for small communities (< 25 000) to assist in the adapting to changing opportunities (for example, responding to the closing of a major employer).

Glen Lucas, General Manager for the B.C. Fruit Growers Association is glad to know that BCAC's request for climate adaptation and emergency response planning made its way into the budget. "Intense summer droughts and intense winter flooding has become the new normal for many B.C. farmers. The associated costs are not sustainable for farming families, which is why funding for long-term planning and adaptation is critical". Kevin Boon, General Manager for the BC Cattlemen's Association, echoed Lucas's comments, recalling wildfires that devastated entire ranches and kilometers of livestock fencing last summer. "The impact to affected ranching families and their communities was overwhelming. The provincial government's investment in wildfire management mirrors actual need so I look forward to seeing the funds put to good use".

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The B.C. Agriculture Council (BCAC) is the province's umbrella farm organization. We are a council of 28 provincial farm organizations and, through our members, we represent the majority of B.C.'s 20 000 farm families who, in turn, generate 96 percent of the farm gate receipts in British Columbia (2.9 billion in 2014). Agriculture is the third largest resource sector in the province, playing a significant and important role in the provincial economy both in terms of GDP and job creation (approximately 27 000 people were employed by B.C. farmers and ranchers in 2014). B.C. is the most agriculturally diverse province in Canada, producing over 200 agricultural commodities.

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