



Fraser Valley Farm Direct Marketing Association
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Brief to the Farm Assessment Review Panel The Need to Support Smaller Acreage Farmers

Issue:

The BC Farm Assessment Review Panel is seeking input to BC's farm assessment policy with the intent to ensure the property assessment system is fair, equitable and supports farming in BC. Currently the requirement is for \$2,500 in sales to be considered a farm.

Response:

In our opinion the level of sales required should remain at \$2,500 and municipalities should be encouraged to increase the tax benefits to those with farm status who actively farm their land.

We believe there is a need to encourage all land in the Agricultural Land Reserve (and all land with strong agricultural capability that may not be currently in the ALR) to be farmed. We believe the current threshold of \$2,500 in sales is low enough to encourage residents to farm their land. If this level was raised, we believe it may discourage many smaller acreage owners from trying to farm their land.

Many potential farmers are unsure when they start farming which enterprise they might eventually undertake and the sales level must be kept low enough to encourage them to try different options. By farming the land, the land can be more easily preserved for future farming. By having sales low enough, owners of the land may be encouraged to lease their land to other farmers if they choose not to farm it themselves thus keeping it in production. Having smaller acreages farmed reduces the potential for land being lost to urban development.

Background:

The following points are relevant to this discussion:

1. The Fraser Valley Farm Direct Marketing Association (FVFDMA) promotes and develops the market for farmers selling direct from their farms to the consumer. We believe it is important to keep as much of the consumer food dollar in the local economy as possible.

2. The FVFDMA offers an Agricultural Mentoring Program for smaller acreage farmers. The goal of this program is to bring together our experienced farmers with those thinking about starting farming in order to review their plans and provide them with options and ideas. Since starting the program in 2004, we have had 20 participants in the program. When we did our last follow up analysis in 2007 (analysis of 10 participants) we found that one-half of the participants actually started farming.
3. Many of the participants in the mentoring program are unsure of what farming enterprise to start with and many mention their desire to obtain farm status and to keep the land in agricultural production.
4. Having land classified as farmland in a municipality is not a strain on municipal budgets. Recent studies have shown that farmers are returning more tax revenue to the municipality, based on services being received, than residential housing developments.
5. Recent studies suggest that raising the ceiling beyond \$2,500 (to double for example) could eliminate as many as 50% of the lots under five acres currently with farmland classification, from being classified as farms in the future.
6. If land in the ALR is not farmed, there is increased pressure on municipalities to support its removal from the ALR.
7. If land in the ALR is not farmed, and is being used only as rural residential, there is increased potential for negative rural/urban relations and complaints about normal farm practices occurring on adjacent farms.
8. Smaller acreage farming can provide significant economic returns to farmers actively using parcels of 10 acres or less or five acres and less. Indeed some quite successful farm operations may require even less than five acres.
9. Recent interest among consumers for buying more food produced locally has meant that most farmers on smaller acreage farms cannot meet the demand for their products.

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October 28, 2008