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Report No. 8

# Urban Land Economics

The British Columbia Land Commission Act

A Review

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The British Columbia Land Commission Act - A Review\*

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The objectives of this report are to document the research, and the political and administrative discussion which preceded the formation of the British Columbia Land Commission, and to document the changes which have occurred\*\* as a result of the introduction of the province-wide land use controls of the Commission.

I. Agricultural land conversion in British Columbia

In many areas of Canada concern is mounting over the rate, pattern and effects of the conversion of agricultural land to urban use. The most significant specific concerns which influenced the decision to establish an agricultural land preservation programme in British Columbia by means of a Land Commission are discussed below.

1. Food Production. The implications of factors in the world food market as they may affect the residents of British Columbia contributed to concern over the preservation of the province's agricultural land. Currently, the province is highly dependent on food production in other parts of the world to meet local demand. In 1946, food consumption in the province required a net import of 3%.<sup>1</sup> By 1955, this deficit had risen to 29%,<sup>2</sup> and currently remains above this level. Dependence on external food producers could pose long run problems for the province. It would be highly vulnerable should external political, economic, market competition, or physical factors cause a reduction in the reliability or availability of imported agricultural products, or drastically raise their prices. A substantial increase in food prices and shortages of essential foods have already been predicted for Canada in 1974.<sup>3</sup>

2. Land availability. In terms of acres of farmland as a percentage of total area or per capita, British Columbia is, as Table 1 shows, one of Canada's have-not provinces. Only 4% of the province's land is considered to be arable (3% west of the Rocky Mountains). Only ½% is considered to be Class One in terms of suitability for agriculture and .01% has a soil-climate combination suitable

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\* Certain minor changes have been made in the text for this reprint. These changes were only to correct grammatical errors which appeared in the original version.

\*\* The documentation of the changes which occurred as a result of the implementation of the Land Commission Act covers the period up to April 1, 1974.

for growing grapes and tree fruits. Yet on this land, less than 2% of Canada's farms (by area) produce 5% of the total value of agricultural products, and earn 4-5% of the cash receipts from farming operations.<sup>4</sup>

From Table 2, it is apparent that the area of agricultural land in the province has remained relatively constant over the past half century. New clearing in the past twenty years has been sufficient to offset the loss of farmland to other uses, so the total acreage remains approximately constant. When this balance is analyzed in terms of the capability of both the land lost and of the land cleared, and the spatial location of these changes, the numerical balance becomes a net loss in productivity. Soil scientists with the provincial Department of Agriculture have estimated the loss of prime agricultural land, by regions, over the past twenty years,<sup>5</sup> as follows:

Prince George . . . . .	26,000 acres	= 1300 per annum
Peace River . . . . .	9,000 acres	= 450 per annum
Kamloops . . . . .	3,000 acres	= 150 per annum
Cariboo . . . . .	10,000 acres	= 500 per annum
Okanagan . . . . .	15,000 acres	= 750 per annum
Vancouver Island . . . . .	65,000 acres	= 3250 per annum
Fraser Valley . . . . .	57,000 acres	= 2850 per annum
Kootenays . . . . .	6,000 acres	= 300 per annum
Miscellaneous . . . . .	4,000 acres	= 200 per annum

T O T A L 195,000 acres 9750 per annum

Table Two gives the regional distribution of farmland, new clearing, and and value of agricultural products sold. The regions where significant amounts of new clearing have taken place are areas a) where climate and soils are best suited to extensive cultivation and grazing, b) with small non-farm populations, and c) which are distant from major urban markets (see Map 1 and Table Two). The areas with high net loss figures are, conversely, those with climate and soils best suited to intensive cultivation. These regions, where farming is carried out in valley bottoms, coastal plains and river floodplains, also contain most of the major urban areas in the province. The most productive agricultural lands in the province are in the Lower Fraser Valley and are located adjacent to the major urban market. These urban communities are, because of their rapid expansion, removing more and more land from agricultural production.

It has been estimated that in the Lower Fraser Valley an additional 3,000 acres of farmland are lost each year to hobby farms and country estates which are, in the main, neither viable nor used for productive agricultural activity.<sup>6</sup>

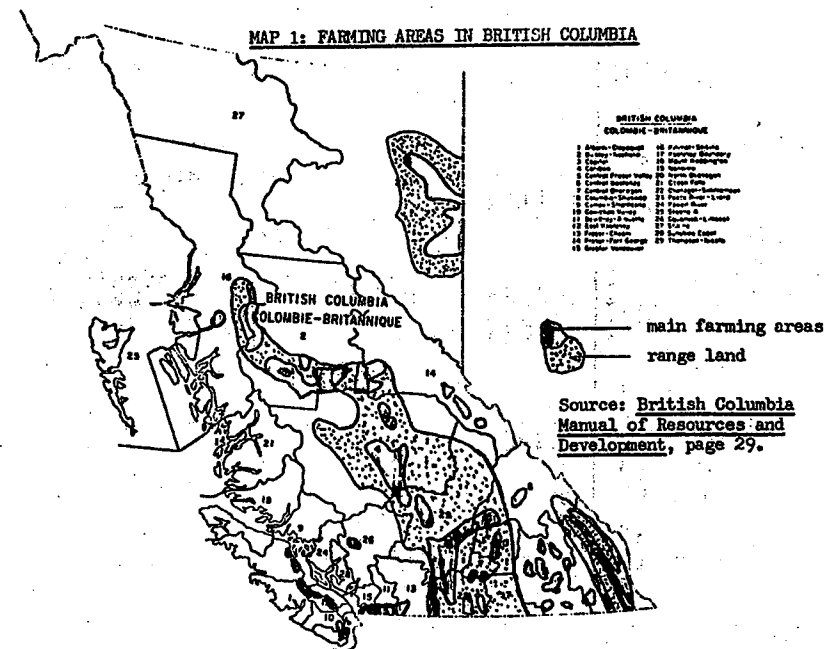


TABLE ONE: FARMLAND IN CANADA, BY PROVINCES, 1971

	Total Land Area (x10 <sup>3</sup> Acres)	Total Acres: Farms (x10 <sup>3</sup> Acres)	Farm Area Total Area	Total Population (x 10 <sup>3</sup> )	Acres of Farmland Per Person	Value of Agricultural Products Sold (\$x100)
CANADA	2,278,524.3	169,668.6	7.4%	21,568.3	7.9	4,147,550.7
• Newfoundland	91,833.6	62.7	0.1%	522.1	0.1	8,100.5
• Prince Edward Island	1,599.0	774.6	55.4%	111.6	6.9	39,286.5
• Nova Scotia	13,057.3	1,328.9	10.2%	789.0	1.7	50,222.2
• New Brunswick	17,685.1	1,339.1	7.6%	634.6	2.1	46,886.2
• Quebec	355,521.9	10,801.1	3.0%	6,027.8	1.8	531,864.5
• Ontario	266,702.7	15,963.1	6.0%	7,703.1	2.1	1,376,567.2
• Manitoba	135,340.8	19,008.3	14.0%	988.2	19.2	338,999.6
• Saskatchewan	140,878.1	65,056.9	46.2%	926.2	70.2	707,728.8
• Alberta	157,710.7	49,505.3	31.4%	1,627.9	30.4	832,558.3
• British Columbia	220,682.9	5,823.2	2.6%	2,184.6	2.7	209,598.0

Source: 1971 Census of Canada: 96-701 Vol: IV-Part: 1

TABLE TWO: FARMLAND IN BRITISH COLUMBIA, 1921-1971, AND BY REGIONS, 1971

	Population		Area		Improved Farmland As A % of Total Farm Area	Average Farm Area (Acres)	Value of Agricultural Products Sold (\$ x 1000)	New Breeding 1970 (Acres)	% of Farmland Rented
	Total	% on Farms	Number of Farms	Total Land Area (AC x 1000)					
British Columbia, 1921	521,482	—	21,973	229,938.6	1.2	130	—	—	—
British Columbia, 1971	694,265	14.7	26,079	—	1.5	136	—	—	—
British Columbia, 1941	817,861	12.5	26,394	—	1.8	178	—	—	—
British Columbia, 1951	1,165,210	10.3	26,406	—	2.0	153	—	—	—
British Columbia, 1961	1,625,082	5.2	19,934	—	2.0	226	—	—	—
British Columbia, 1971	2,184,621	3.6	18,400	220,682.9	2.6	316	40,598	—	34.4
<b>Regional Districts*, 1971:</b>									
1. Alberni-Clay.	31,747	1.1	73	1,912.3	0.25	64.4	736.1	75	20.5
2. Bulkley-Nech.	27,115	11.9	650	17,815.7	2.67	730.9	3,885.8	6,510	44.5
3. Capital	204,803	1.4	683	572.8	7.06	59.2	7,344.6	99	25.6
4. Cariboo	39,377	8.8	762	17,091.8	4.66	1,044.6	7,687.3	5,827	28.0
5. Central Fraser**	58,085	19.4	2,617	5,742.1	22.19	34.8	20,487.6	554	17.9
6. Cent. Kootenay	44,791	6.8	725	17,091.8	1.37	108.5	3,885.2	299	17.9
7. Cent. Okanagan	50,177	8.8	1,071	7,427.9	1.11	97.2	10,136.3	157	15.4
8. Columbia-Sh.	30,641	7.6	571	736.0	0.60	100.7	2,324.4	711	13.0
9. Cowichan Va.	47,345	4.6	423	895.2	3.40	67.1	4,653.0	182	12.7
10. Comox-Strath.	40,096	8.3	773	773.3	4.57	50.1	2,653.7	1,210	20.7
11. Dewdney-Al.*	39,720	3.5	342	7,004.2	2.72	556.7	2,387.5	1,210	20.7
12. East Kootenay	46,097	14.8	1,248	2,667.5	2.47	46.3	21,783.4	2,427	23.3
13. Fraser-Chemaw.	61,364	3.4	441	12,650.9	1.23	352.4	1,870.6	2,427	23.3
14. Fraser-Fr. Geo.	1,028,314	0.8	1,781	23,671.7	0.11	386.4	2,877.9	380	19.0
15. G. Vancouver**	37,326	1.1	69	1,935.9	5.97	409.2	2,087.9	207	12.2
16. Kitimat-Stikine	31,396	3.9	285	5,305.7	0.03	123.7	1,450.0	30	18.8
17. Kootenay-S.	10,408	0.5	11	504.3	4.02	70.8	7,450.0	205	18.8
18. Mt. Waddington	48,006	2.4	286	1,934.7	9.47	171.4	2,087.9	1,104	18.1
19. Nanaimo	34,059	12.8	1,069	6,208.6	0.04	139.5	25.3	5	23.9
20. N. Okanagan	4,215	1.4	19	2,632.3	10.87	176.4	11,498.6	389	24.0
21. Okanagan-Sim.	42,752	14.8	1,623	44,199.7	3.46	958.5	10,136.2	17,849	34.4
22. Peace River-Liard	43,996	0.8	35	1,260.8	0.17	63.0	84.3	4	7.2
23. Powell River	18,556	0.3	17	3,988.5	0.07	154.6	716.5	127	24.8
24. Skeena A	22,299	3.0	85	27,789.3	0.07	22.7	15.5	34	1.0
25. Squamish-Lil.	13,081	—	—	984.7	—	—	—	—	—
26. Sunshine	1,470	1.1	22	11,093.1	11.16	1,826.0	11,386.8	1,107	43.2
27. Stikine	9,555	—	678	—	—	—	—	—	—
28. Thompson-Nic.	75,752	5.3	—	—	—	—	—	—	—

\* See Map One for full names of Regional Districts.  
\*\* Regional Districts in the Lower Mainland.

Source: 1971 Census of Canada, Cat. 96-711 Vol. IV-Part 1-3

According to some estimates, approximately 20% of the land suitable for agriculture in the Lower Fraser Valley,<sup>7</sup> and 30% in the Okanagan Valley,<sup>8</sup> have been lost to non-agricultural uses.

3. The effects of urban development on farming and farmlands. One phenomenon in urbanizing areas is that, out of the total number of farms, a very high percentage is comprised of small acreage farms. These may be categorized as a) full-time intensive cultivation, b) part-time marginal farms (farmers either semi-retired or earning off-farm incomes) or c) residential holdings, hobby farms and country estates. These small holdings, with the exception of the highly specialized or intensively cultivated farms, tend to be inefficient or non-productive. As the acreage required for a viable farm unit is increasing, these hobby farms eliminate the possibility of productive farming by chopping up farmlands into small units. The acreage price for hobby farms is three or more times the value per acre in large holdings, which both induces farmers to subdivide and increases the price of farmland as the potential value of such subdivision becomes capitalized into general farmland prices.

Urban growth in a region expands the demand for agricultural products, thereby raising the gross returns to farmers. It also creates numerous problems which increase the cost and difficulty of farming, often more than will be offset by the increased revenue. Some of the problems may be inherent in the incompatibility between agricultural production and urban settlement: most are, however, the result of the lack of foresight and planning. The problems created by urban expansion, planned or otherwise, include the fragmentation of farm units by highway and power rights-of-way, vandalism, restrictions on farm operations, increased property taxes to pay for urban-oriented services, and a hesitancy on the part of farmers to make long-term investments to improve productivity.<sup>9</sup> This hesitancy may result from either an anticipation or realizing a capital gain on their land before increased productivity has paid for improvements, or simply a feeling that farming in the area has had its day. Also, when farmland is purchased as a speculative investment, tenant and resident owner farmers become unwilling to make long term improvements which would benefit farm productivity.

Re-zoning of agricultural lands, whether as "orderly expansion" or as sprawl, has often been permitted to go ahead in the belief that, as one critic put it, it is "needed to keep housing prices at a level which can be reached by the average people."<sup>10</sup> In fact, in the past many more lots and small holdings

have been created than the market could absorb. Most of these excess subdivisions have not subsequently been farmed or have been cultivated only to the extent required for preferential tax treatment.

The Greater Vancouver Regional District planning department delineated the boundaries of the region's land most suitable for urban use. Land not to be used for urban development, including farmland, parks, floodplain, and mountain slopes, was not included in the area enclosed by this urban perimeter. Within this area, any vacant land suitable for residential development was defined as an infill site:

"If all the potential infill land (57,000 acres) within the already designated urban area was developed at existing densities, it would accommodate the expected growth for the next 18 years."<sup>11</sup>

Clearly there is little need for farmland in the G.V.R.D. to be re-zoned to keep up the supply of residential lots.\* Further conclusions of the consultant's study on promoting infill development were:

- a) approximately 65% of the designated infill area is serviced or is in the process of being serviced;
- b) resident owner hoarders were present in all infill areas sampled, and owned between 36% and 88% of the lands in the sample areas;
- c) part-time speculators, representing only 10% of the owners of infill sites sampled, controlled 26% of the land;
- d) the remainder of the lands were held as inventory by contractors or by professional land holders, "frequently . . . (as) part of a larger phased development."<sup>12</sup>
- e) "approximately 8% of the infill land remains vacant because the owners are unwilling to sell the land for production at any price. 81% of the land is unprofitable\*\* to put into production and 11% is in the process of being developed."<sup>13</sup>

Urbanization increases the costs of farming usually faster than farm incomes rise and anticipated land sale prices become a strong inducement to farmers to sell their property for immediate or future urban use. The expected gain, however, will be realized only if the farm lies in the path of urban development and the public sector displays a willingness to grant approval to re-zoning applications. Until this occurs, persons farming in urbanizing areas must

\* For documentation of a similar situation in the Central Fraser Regional District, see endnote 20.

\*\*In the opinion of the owners.

content with increased costs and problems.

There is one final aspect of urban development on agricultural lands which is significant in British Columbia. Much of the agricultural land which has been developed for urban uses lies on the rich floodplains of the province's rivers, in particular the Fraser. Most cultivated and settled floodplain areas therefore have dyking and other flood protections.

The last major flood in the Lower Fraser Valley, in 1948, flooded "about  $\frac{1}{4}$  of the valley's cultivated land . . . and caused \$17 million worth of compensated loss."<sup>14</sup> In 1963, it was estimated that flood damage costs would be \$15,000,000.00 per square mile for suburban development and \$50,000.00 for farm areas.<sup>15</sup> Since then, much of the floodplain in the G.V.R.D. has been developed for residential and other urban uses. Everyone in the province will have to subsidize, through disaster compensation funds, the owners of these properties if flooding should occur again.

4. Open space and greenbelts. Another reason for controlling the rate at which agricultural land is converted to urban use is the need to preserve access to open space for urban dwellers for both active and passive uses.

There are clearly several valid reasons for being concerned with the preservation of agricultural land and the way in which it is developed for urban use. At least five major studies carried out in British Columbia over the past ten years have documented these reasons. One major planning programme attempted to control the rate and pattern of agricultural land conversion in the Lower Fraser Valley. The history of this plan provides an example of the problems associated with farmland preservation policies.

In 1949, the Lower Mainland Regional Planning Board was established, having a regional planning function for the entire Lower Fraser Valley. Land for Farming, published by L.M.R.P.B. in 1962, presented a detailed analysis of factors contributing to the loss of farmland in the Valley, reasons for halting this loss, and recommendations for specific local, regional, provincial and federal government actions to ensure the preservation of the Valley's farmlands.<sup>16</sup>

At the regional level, preservation was to be carried out through a comprehensive regional plan. Areas designated for long term agriculture enclosed approximately 300,000 acres, more than 50% of the useable land in the Valley. Other areas, ultimately intended to be used for urban use, were designated to remain rural or agricultural until the appropriate stage in regional growth

was attained.\*

The plan, published in 1963, was submitted to the provincial government, which in 1966, approved it by order-in-council. In order for the regional plan to be implemented, each of the 28 local governments in the Valley had to pass a zoning by-law based on the plan.\*\* All but one did so. Once this by-law was passed, neither the regional board nor the municipalities were permitted to carry out any action which would impede the attainment of the plan's objectives. To permit a municipality to re-zone an area to a use not compatible with the regional plan, the provincial cabinet (until 1967) and the L.M.R.P.B. had to grant approval to an amendment of the regional plan's land use designation.\*\*\*

In 1967, the same provincial administration which had approved the regional plan began development of the Roberts Bank Superport offshore from the flood-plain farms in the Municipality of Delta. The provincial government expropriated more than 4,000 acres of land, designated under the regional plan as being for long range agricultural use, for industrial backup for the port and for the railroad which was to supply this port.<sup>17</sup> Both Board members and staff of the L.M.R.P.B. were opposed to this first major alienation of designated farmlands—as well as to what was functionally a major revision of the regional plan. In spite of this opposition, the province proceeded with its plans. In doing so, it not only ignored the intention and objectives of the regional plan, but also greatly undermined the plan's credibility and integrity, making it more difficult to administer and increasing the pressure for amendments to the plan to permit municipal re-zoning.

In 1968 the L.M.R.P.B. was dissolved by the provincial government. The

\* The plan also specified minimum lot sizes which were to prevail in cases where agricultural land was subdivided into smaller parcels, still intended for agricultural use. Minimums ranged between 5 and 20 acres, depending upon the characteristics of the soil and existing development, within the region.

\*\* If zoning by-laws had not previously been passed in a municipality, and the municipality adopted the plan, they could henceforth only pass zoning by-laws which were compatible with the regional plan. If the municipality used zoning before adopting the plan, the pre-existing municipal zoning had precedence over the zoning by-law intended to implement the region plan designation. The degree of compatibility between the provisions of the regional plan designations and local zoning, therefore, varied greatly over the region.

\*\*\* Approval must be granted by a 2/3 majority of votes on the Board and by 2/3 of the municipalities, Board votes being allocated on the basis of municipal populations.

Board was replaced by four smaller regional districts, which were initially assigned a regional planning function, including jurisdiction over the appropriate portions of the official regional plan. Each regional district subsequently retained its own planning staff. Policy and planning decisions were made by Regional District Boards comprised of members of the elected councils for each municipality. While regional planners have had some success in convincing their Boards that the regional plan should not be amended to permit re-zoning of farmland, there have been several such amendments. For example, in the Greater Vancouver Regional District, changes from agricultural designations have included:

- 70 acres - Delta - 1969 - residential
- 120 acres - Richmond - 1970 - industrial
- 400 acres - Delta - 1971 - industrial
- proposed 600 acre re-zoning in Delta, 1971. This was to be for residential use, but public opposition within the municipality resulted in the application being withdrawn.
- 325 acres - Richmond - 1972 - industrial - still under consideration.<sup>18</sup>

In the Central Fraser Regional District, the regional plan has been amended more than 26 times, primarily as the result of municipalities wishing to re-zone farmlands for industrial purposes.<sup>19</sup> Much of this was in the one municipality which did not pass a zoning by-law in accordance with the regional plan, the District of Langley.<sup>20</sup> This gives an indication of loss of farmland in the Valley which might have occurred if the regional plan had not existed.

One factor of great concern to planners in the G.V.R.D. was the change in farmland ownership patterns which followed the provincial expropriation. Within the municipalities of Richmond and Delta, a great number of farms had been purchased by development companies and then leased back to farmers. This was the practice adopted by the provincial government for the farmlands it expropriated in Delta for the superport.

Planners felt that the development companies would begin to push for municipal re-zoning and plan amendments as soon as the superport began to generate a significant demand for industrial land. The provincial expropriation, therefore, was seen as the precipitator of a change in land tenure patterns which both reduced the viability of farming in the area and foretold tremendous pressure on the regional plan.

The objectives of the regional plan and the emerging pattern of development became increasingly separate, as the result of provincial government actions, plan amendments, and municipalities exercising pre-existing municipal zoning by-laws. With a provincial government which did not support the plan, and

local governments which either ascribed to the then prevalent 'growth is good' ethic or which found it hard to resist pressure for the incremental re-zoning of farmland, regional planners found it difficult to justify a regional plan intent on preserving farmland for long term agricultural use.

## II. Articulation of the Present Provincial Government's Farmland Preservation Policy

### II. A. Sequence of events up to the formation of the Provincial Land Commission

During the provincial election campaign in the summer of 1972, each of the four major parties outlined its agricultural policy. Three of the parties had policies directly related to the preservation of farmland; the fourth party, the incumbent Social Credit Party, campaigned primarily on the basis of a continuance of its past performance.<sup>21</sup> The Liberal Party proposed the establishment of an "Agricultural Lands Trust" which would purchase the development rights for farmland to "preserve farm lands from ill considered land speculation and development."<sup>22</sup> The proposal of the Progressive Conservative Party centered on the use of "long range and systematic planning. . . so that the best agricultural land is in fact used for agriculture, and is not wasted on other purposes through the lack of planning."<sup>23</sup> The New Democratic Party proposed a "land-zoning programme to set aside areas for agricultural production and to prevent such land being subdivided for industrial and residential purposes . . . (and) establish a land bank to purchase existing and re-zoned agricultural land for lease to farmers on a long term basis."<sup>24</sup>

On August 31, it was announced that the NDP would form the new government as the result of winning the majority of the seats in the election. On September 15, the MLA for Nanaimo, David Stupich, was appointed Minister of Agriculture. The British Columbia Federation of Agriculture, at its annual convention on November 28, endorsed the concept of preserving farmland by preventing its conversion to urban uses. The convention also unanimously passed a resolution opposing any arbitrary farmland zoning policy unless farmers were to be adequately compensated. Their concern was that land should not simply be conserved, but that there should be government assistance to obtain a decent standard of living for farmers.<sup>25</sup> On the next day, the Minister of Agriculture announced to the convention that the government would soon introduce legislation to prevent the

re-zoning of farmland to urban uses. The Minister advised that no one should invest in agricultural land if they did not intend to use it for agricultural purposes. Response from the Federation of Agriculture included the concern that, a) if farmers were to be "tied to their land," there must be programmes to ensure that they would receive a reasonable livelihood, b) since many farmers all over the province were counting on the capital appreciation of their land (when converted to urban uses) for their pension funds, they should be compensated for this loss, and c) the government should remove succession duties from farms.<sup>26</sup>

The headlines in the next day's papers included "NDP government halts re-zoning farms,"<sup>27</sup> yet no programme had been introduced to establish such controls. The mayor of a suburban municipality within metropolitan Vancouver stated, on December 18, that the number of applications for re-zoning had trebled since the nature of the government's policy had been announced,<sup>\*</sup> and that, in his opinion, it had been poor judgement to announce the policy so far in advance of actually bringing in legislation.<sup>28</sup> The Minister of Agriculture shared this opinion:

It was that announcement, he said, which prompted a run on land buying and attempts at subdivision and development . . . 'If I made a bad decision, I misjudged the irresponsibility of some people when making the announcement about the preservation.'<sup>29</sup>

The awareness of this situation prompted the government to undertake "an emergency and interim" action.<sup>30</sup> On December 21, 1972, cabinet passed Order-in-Council 4483/72, the farmland freeze.<sup>31</sup> This order prohibited any subdivision of farmland from that date until further orders or provision to the contrary. Farmland was land designated as agricultural for real property taxation as well as all land deemed to be suitable for the cultivation of agricultural crops.

Adverse reaction to the freeze came from bona fide farmers as well from speculative holders of farms, hobby farms and vacant land zoned for agriculture. Farmers, at least as represented by the British Columbia Federation of Agriculture, were adamant, to the point of threatening acts of civil disobedience, that the right to realize the capital appreciation of the land not be taken away:

\* It is possible that this had been occurring, though at a lesser rate, ever since the election of the NDP, as their farmland policy explicitly stated that zoning would be used as a method of preservation. However, this cannot be documented.



"The farmer has no pension plan. His pension is the right to sell that farm for the highest price he can get for it. Now, if you take away that right, he has to be paid." . . .

The Provincial Government "must" lift the freeze and let the farmers sell land "unless the land is to be converted to non-farm use" . . . If farmland is to be sold for development, the federation wants the province to promise to either buy it "at fair market value," or let the sale proceed.<sup>32</sup>

This strong position was taken because farmers, and many others, predicted that the value of farmland would fall, or already had fallen, to as much as one third of its pre-freeze value. It was also predicted that people holding small farm parcels would see the value of their land climb as the supply of these highly desirable country estates was greatly limited by the freeze.<sup>33</sup>

A further concern was over the lack of explicit definition of "land deemed suitable for the cultivation of crops" and what minimum parcel size would be included in this designation. The lack of provision for appeals to the freeze was also criticized. Another concern, though one less passionately debated, was over the effects of the freeze on urban land values, which were predicted to rise.<sup>34</sup> This was seen to be the result of both the higher servicing costs of development on upland areas and the market mechanism bidding up prices in the face of reduced supply. A positive contribution would be the enforced need for better planning of urban development, the halting of urban development on flood-plains, and the non-pecuniary benefits of preserving farm lands and greenbelts (which would, of course, be paid for by higher urban land costs).

To clarify the intent and to extend the application of the freeze, another Order-in-Council (157/73) was approved on January 18, 1973.<sup>35</sup> Farmland was re-defined as any two acre or greater parcel of land which was designated as a) agricultural for purposes of real property taxation, or b) class 1, 2, 3, or 4 soil capability (for agriculture) in the Canada Land Inventory. It was not necessary that the land be used for agriculture, only that it fall into one or both of the above categories. No non-agricultural developments, including site development, changes in land use, and/or construction, was to be carried out on such land. Similarly, no subdivision plans, building permits, zoning by-laws, or land use contracts were to be approved if farmland was involved. These prohibitions explicitly did not pertain when the development or approval was required for farm operations, the construction of a residence of persons engaged in farming, or for the creation of new farm units. The order also was not to

apply in cases of certified substantial commencement on a development or rezoning application prior to December 21, 1972. Finally, provision was made for those persons having interests in farmland who were aggrieved by any action taken under the order to appeal to the Provincial Environment and Land Use Committee\* who would hear the appeal, and vary, amend, rescind or approve the action.

On February 16, the Minister of Agriculture outlined the procedure to be followed to ensure that implementation of these orders-in-council would be uniform over the province.<sup>36</sup> Dealing first with the terms for and certification of exemptions in cases of substantive commencement, decisions were to be based on the following considerations:

- a) in cases of subdivision of a farm, whether the resultant parcels would be so small as to hamper the establishment of a viable farm unit;
- b) the proximity and size of the parcel in the relationship to existing urban development
- c) whether the application was one which had been vigorously pursued or just 'dressed up' for an appeal; and,
- d) whether the land had been so physically altered that it could not be reasonably used for agriculture and where approvals had been held out to the extent that refusal would be a hardship on the applicant.

In cases of application for approvals or permits pertaining to farmland, consideration was to be given to:

- a) whether the parcels created would be viable farm units;
- b) whether the operation was currently or would be a viable farming enterprise (development or construction on agricultural land); and
- c) the fact that the order was an interim measure, and if a reasonable portion of a parcel was farmland, it should not be subdivided at that time.

Finally it was noted appeals to a refusal were to, a) be made in writing by the applicant, b) include all relevant information and c) be sent directly to the Environment and Land Use Committee.

On February 22, the Minister of Agriculture introduced Bill 42 for first reading in the Legislature.<sup>37</sup> This bill was legislation to establish a Provincial Land Commission whose objectives would include the preservation of

\*The Committee is comprised of the Ministers of those departments concerned with the environment and land use within the province.

agricultural land. The following provisions of Bill 42 caused considerable controversy:

Section 2. The Land Commission was to be comprised of not less than five members, appointed by the government, who were to hold office "during pleasure". Criticisms here were that a) terms of office were not definite, b) it would be very difficult to remove a member of the Commission, and c) there would be the possibility of political patronage.

Section 5(6). The Commission was permitted to establish necessary regulations, etc., within the scope of the Act. Section 19 permitted Cabinet to make orders and regulations ancillary to and compatible with, the Act, which would be deemed portions of the Act. These could include regulations dealing with the establishment of reserves, acquisition, sale and leasing of real property. While not a direct criticism, it was noted that the Act was very permissive, and that the impact of the legislation would not be dependent on the Act per se, but rather on the nature and quality of the regulations and administration which were unknown at the time of the debate.

Section 7(1). This section, one of the most controversial, permitted the Commission to "purchase or otherwise acquire" land. This was erroneously interpreted as including the power of expropriation.

Sections 8 and 16. These were the most debated and criticized provisions of the legislation. Section 8 was to give the Commission the power to designate (zone), without acquisition, lands suitable for agriculture, parks, greenbelts, and land banks. Section 16 stated that lands so designated would be deemed "not to be taken or injuriously affected by reason of the designation". This explicitly excluded any requirement for compensation, implicitly holding that development rights are vested in the Crown. Several criticisms were made. Some critics favoured designation but felt that compensation was necessary, others that designation should be limited to agricultural lands. It was said that these powers were de facto expropriation and marked the end of private ownership of land. Also, because of the rather general definition of what lands suitable for designation were to include, some critics felt that these provisions would give the Commission control over all of the land in the province. The government's general response was that, if land was in one of these zonings prior to designation, its value would not be affected (which ignored the capitalization of expected gains upon re-zoning that current market prices included). If a parcel was down-zoned and the Commission was considering acquisition of the land, the previous market price would be considered in the negotiations.<sup>38</sup> Perhaps the best statement of the government's attitude was given earlier by the Minister of Agriculture in a speech to Okanagan fruit growers:

Have none of you ever heard of zoning and land use before?  
Or is it just that for the first time you feel the government means it, and you won't be able to put pressure on somebody locally?<sup>39</sup>

Section 11. This section limited appeals to the legislation to those addressed to the Supreme Court on points of law or excess jurisdiction. Great concern was expressed over the lack of provision for individuals and local governments to appeal decisions of the Commission.

Other criticisms were directed at what were deemed omissions in the Bill. The most significant of these was the lack of any requirement for public, municipal or regional district involvement in the establishment of the reserves. Also, because of the breadth and generality of the types of land which the Commission could designate as reserves, it was feared that all lands suitable for future urban development would be under provincial rather than local control. As local and regional plans are intended to represent at least some of the objectives and priorities of the local communities, concern was expressed over local areas having no participation in long range planning for their development.

One criticism which both opponents and proponents of the Bill agreed upon was that the government had done a very poor job of preparing and explaining Bill to the public, which gave rise to misconceptions about the government's intentions.<sup>40</sup> The sequence of events which followed the Minister's of Agriculture November 29, 1972 announcement - the freeze, two further orders-in-council to clarify and extend it, and the significant omission of public involvement and rights of appeal in the first version of Bill 42 - certainly suggests that the announcement was premature in terms of the government's articulation of the mechanism to be established to carry out its farmland preservation policy.

Farmers in areas well removed from urban expansion generally supported the Bill, while those in urbanizing regions were its most vocal opponents. While members of the Official Opposition party were conducting a second reading filibuster, farmers, primarily from the Lower Fraser Valley and the Okanagan, travelled to Victoria to stage a protest demonstration. Some real estate agents conducted an active campaign of opposition, and some actively supported the Bill: most adopted a "wait and see" attitude. Conservation and planning groups generally supported the Bill, although they criticized the lack of public involvement.

One analyst forecast a rather futile future for the Commission:

"There is no zoning authority that has ever existed in the past that has been able to accomplish the goal (of freezing farmland). The best that the Commission will do is slow down the growth and make it proceed in an orderly fashion." . . . "Over time, the Provincial Land Commission must accede to the pressures of the urban community for the movement of boundaries . . . to increase the amount of land available

for urban purposes. That this must happen is evident from the fact that if it does not, there will be demands for a new Commission, or, failing that, an end to the Commission, or failing that, a new government." . . . While it won't save the farmland in the long run, it won't ruin the farmer either. Current owners of farmland for speculative purposes - and this includes farmers hoping for a windfall from re-zoning - will get their money eventually as the Commission yields to the pressure of growth.<sup>41</sup>

On March 19th, the government's amendments to Bill 42 were introduced in the Legislature, and the entire Bill was referred to a committee of the whole Legislature for section-by-section consideration.<sup>42</sup> Included in the amendments were:

- explicit exclusion of the power of expropriation for acquisition;
- limiting the power of designation without acquisition to agricultural reserves. For greenbelt, park and land bank land, the Commission was required to acquire the land before designating it to be in a reserve;
- extension of the right to appeal to include appeals to the Commission and/or the Environment and Land Use Committee by individuals, municipalities and regional districts; and,
- assignment of a major responsibility to regional districts in the preparation of the initial agricultural reserve plans and in the passing of appropriate by-laws (including public hearings).

Two criticisms of these amendments were that the provision of the right of appeal would induce 'spectators' to keep prices high in anticipation of an appeal being granted or the election of a government which would give a favourable hearing to appeals, and that park, greenbelt, and land bank land would have to be acquired at 'speculative' prices.<sup>43</sup>

While the Bill was receiving section-by-section consideration, the government passed, on April 13th, an amendment to the Succession Duty Act. This amendment extended the exemption from liability to pay succession duties to include farm property which passes, upon death, to a child of the deceased owner.<sup>44</sup> On April 16, 1973, Bill 42 was passed by a vote of 34 to 17, with all the members of the opposition voting against the Bill.

## II. B. The Land Commission Act

The Act provides for the establishment of a Provincial Land Commission consisting of not less than five members, appointed by the Cabinet to hold office during pleasure. One member is appointed as chairman and another as vice-chairman. In a recent speech to the British Columbia Department of Agriculture, William Lane, Chairman of the Land Commission, described the

Land Commission Act. Because his explanation emphasizes the Commission's interpretation of the Statute, the section of his speech on the basic provisions of the Act is quoted in its entirety:

It is perhaps easiest to think of the Act having as its objective, four major and quite distinctive things.

First, the preservation of agricultural land for farm use. That is to say the occupation or use of agricultural land for bonafide farm purposes as well as certain other uses which are compatible with the preservation of land for farm use closely related to this is the encouragement of and preservation of family farming and family farms. A second major objective is to preserve greenbelt lands in and around urban areas and to encourage the establishment on land in greenbelt reserves only uses compatible with the preservation of these lands as greenbelt. Also, there is the objective of the preservation of certain land bank lands having desirable qualities for urban or industrial development with the object of restricting the subdivision and use of such lands for incompatible purposes. Conversely the Commission is asked to encourage the establishment on such land bank reserve lands of uses compatible with the ultimate use of the land for industrial and urban development. Finally, there is a park-land role established for the Land Commission. It is asked to preserve park-land for recreational use and to encourage the establishment of land in a park-land reserve for any use compatible with the ultimate use of land for recreational purposes.

At first glance these four commendable objectives of the Land Commission Act seem to be roughly equivalent activities of the Commission. It should be noted, however, that only in the case of agricultural land is the Commission given any zoning or regulatory powers. In other words, only in the case of land actually designated as Agricultural Land Reserve are there any restrictions on the private use of private lands for purposes incompatible with farming or agriculture. Indeed, the Agriculture Reserve lands are so designated only after a process involving public hearings held by the various regional districts, a review by the Land Commission, and finally, after a reconsideration and ultimate approval by the Cabinet. Not until then are such lands considered "designated" and only then are the rights of the private owners in any way affected by the Agricultural Reserve classification. This regulatory power is to be found in section 10 subsection (1) of the Land Commission Act and I think it is of sufficient importance to read it in its entirety to you today:

"No person shall occupy or use agricultural land designated as an agricultural land reserve pursuant to section 8 for any purpose other than farm use, except as permitted by this act or the regulations or by order of the Commission upon such terms and conditions as the Commission may impose."

It is important to note that there is no similar provision with respect to greenbelt land, land bank land or park land reserves. Indeed, while the agricultural lands become part of the agriculture land reserve after designation, following the steps mentioned above, greenbelt, land bank, and park lands become part of a reserve only after the Land Commission has acquired the property either from the Crown or by purchase or gift from private citizens. There is no regulatory power involved in-so-far as the latter three reserves

are concerned. This was the thought behind even the original version of Bill 42. Because of the understandable but groundless concern expressed in some quarters on the introduction of the legislation, an erroneous belief grew in the minds of many people (and is still held by a few) that the Land Commission can "zone" private property for greenbelt, land bank or park land purposes. I want to make it quite clear that this never was nor presently is the case.

It should be noted that lots of less than 2 acres in size, in existence on the 21st of December, 1972, and recognized on a Certificate of Titles issued by a Land Registry Office are not bound by the provisions of the Land Commission Act, even if the land is within an Agricultural Reserve. Furthermore, any non-conforming use which has been in existence for at least 6 months prior to the 21st of December, 1972, and not otherwise against the law, will be allowed to continue as a non-conforming use in an Agricultural Land Reserve. The exemption does not apply if the use is changed to another non-farming use without the prior approval of the Commission. Also, if the owner wishes to sell, lease or otherwise transfer a non-conforming use, he must get permission of the Land Commission prior to such sale, lease or transfer. The Land Commission, at its discretion may impose conditions upon the sale, lease or transfer. Its decision is final except on questions of law or excess of jurisdiction which may always be taken to the Supreme Court of British Columbia.

Section 9 of the Land Commission Act makes ample provision for the exclusion of land which may have originally been placed in the Agricultural Land Reserve. A municipality, regional district, the Commission, or indeed the Cabinet may request the Lieutenant-Governor in Council to exclude land from the Agricultural Reserve. It is hoped that in any of these events ample warning will be given and an exchange of views canvassed prior to such an exclusion. In other words a municipality, regional district, the Commission or the Cabinet itself may wish to comment on any proposed exclusion.

Private owners of land may apply directly to the Commission to have land excluded from an Agricultural Land Reserve. If, however, the land had been zoned for agricultural or farm use prior to December 21, 1972, a resolution of the municipality or regional district in question is needed before the aggrieved owner may pursue his appeal for exclusion to the Land Commission. If the aggrieved owner, in fact, appeals to the Land Commission and is unhappy about the decision of the Commission with respect to the proposed exclusion of land from an Agricultural Reserve, the owner may further appeal to the Environment and Land Use Committee of Cabinet. He may do this only if the municipality or regional district in question has authorized the further appeal and if given leave to appeal by at least two members of the Land Commission. It is not expected that such "leave" would be denied a person if there was any real merit in the application.

I should also point out that the objects of the Act are to protect the agricultural resource in the long haul, hence, short-term economic or technological consideration must be given relatively little weight in evaluating whether a given parcel of land should be included or excluded from the Agricultural Land Reserve. As you know, the Canada Land Inventory classifications of agricultural capability are based on soil qualities and certain climatic conditions. These give rise to an increasing number of options for the producer as you proceed from class 4 land through the 3's and 2's and down to the very best quality land in the class 1's. It is these options we must

keep in mind rather than the short term economic possibilities which may arise from time to time in connection with the land. This is particularly so in regard to its location near urban areas.<sup>45</sup>

The initial appropriation for the purposes of the Land Commission Act and "the establishment of an agricultural reserve" was twenty-five million dollars. For the "establishment of greenbelt land reserves, land bank reserves, or park land reserves," funds were to be appropriated under the Greenbelt Protection Fund Act (primarily). The amount available to the Land Commission under the latter Acts is, in aggregate, five million dollars.

## II. C. The Activities of the Land Commission

The Provincial Environment and Land Use Committee, having the responsibility to hear all appeals to the freeze, determined that there were four possible responses to such an appeal:<sup>46</sup>

1. approve unconditionally;
2. approve, but not release the land from the freeze (requested development or subdivision could take place, but no further such activity could occur);
3. deny outright; or
4. deny pending the establishment of agricultural reserve boundaries.

They also noted that, for cases 2 and 4, appeals would be automatically reviewed at a later date. As of August 22nd, 1973, approximately 700 appeals had been made, 400 of which had been processed.<sup>47</sup> Of the processed appeals, about 40% had been granted. Due to the number of appeals to be heard, this function was turned over to the Land Commission in November, 1973.\* By February 15, 1974, appeals from the freeze reached the 1500 level, of which 1400 had been processed: Approximately 2/3 of these later appeals were approved.<sup>48</sup>

The initial members of the Commission were announced on May 18th, 1973.<sup>49</sup> These were:

- William Lane - Chairman - full time  
- municipal solicitor
- Edward Barsby - part time  
- building contractor and former president  
of the B.C. Wildlife Federation
- Vernon Brink - part time  
- Professor of Plant Science

\* The Commission has also heard appeals under Section 8(11) of the Act which placed all land zoned agricultural or farmland at the time of the freeze into reserves "unless exempted by the Commission".

Arthur Garrish - part time  
 - orchardist and former president of the  
 B.C. Fruit Growers Association  
 Mary Rawson - full time  
 - consulting town planner and land economist

Up to March of 1974, approximately 50% of the Commission's time has been spent in explanation and administration related to the articulation of the agricultural reserves: in the early months, nearly all of the time was spent on this matter. The remainder of the Commission time has been allocated to several activities. One of the most important has been establishing co-operative relationships with other provincial departments and agencies. As the Land Commission Act has precedence over all but two other provincial Acts (and orders-in-council), the Commission is in a good negotiating position in discussions of the activities of various departments as they relate to farmlands.<sup>50</sup> Before any new development by another provincial agency is commenced, their plans will be vetted by the Commission. This will enable the Commission to ensure that all reasonable alternatives are explored before agricultural land is alienated for such purposes, and that the negative impact of these developments on agricultural productivity are minimized. The Commission will also act in matters which concern farming in reserves but which involve public activities outside of these, such as water diversion and grazing rights on Crown Lands adjacent to agricultural areas.<sup>51</sup> The Commission has established the basis for other agencies to provide it with advice and management skills. For example, the appropriate department (Parks, Lands, Agriculture, etc.) will be asked to appraise possible acquisitions by the Commission. Similarly, the Commission intends to arrange for management of the agricultural holdings by the Department of Agriculture and parks by the Department of Parks, Highways, and Fish and Wildlife, or Regional Parks Departments, depending on the location and potential of the specific parcel. Approximately 50 properties, acquired under the provisions of the Greenbelt Fund,<sup>52</sup> have been turned over to the Commission, which is currently arranging for these to be managed by appropriate government agencies.

The Commission has only a persuasive role to play in situations which involve agencies operating under federal jurisdiction.<sup>53</sup> For example, in regard to land under the jurisdiction of Indian bands or railroads having federal characters, the Commission intends to place the facts before the parties involved

in the hope that they will protect the agricultural land.

Recently two waterfront farms, both within proposed agricultural reserves, have been purchased by the Commission.<sup>54</sup> The total purchase price of \$625,000.00 included 195 acres of farmland, residences, silos, and other farm buildings. Included in the Commission's purchase criteria are: whether or not the land can have multiple uses (e.g. farmland and greenbelt and parkland); if the land may suffer adversely from other adjacent public uses (e.g. next to a wildlife refuge); and the possibility of leasing the farms to new farmers who are unable to afford the high initial capital costs for land. The next priority will be given to the establishment of greenbelts and parks in co-operation with regional districts. This may involve the Commission acquiring and designating both greenbelt (which may include farms) and park lands. Because of its limited funds, the Commission does not presently anticipate the acquisition of land bank land: other departments, particularly Housing and Industry, Trade and Commerce already have land banks.

Two further activities now involve the Commission. The first involves appeals for exclusion of land from the reserves once they are established. The Act makes provision for appeals from both municipalities and private owners to the Commission and, in specified circumstances directly to the Environment and Land Use Committee. In cases involving the public interest or in which a growing community has no alternative but to encroach on an existing reserve, appeals will be sympathetically considered. There are also numerous possibilities for both compatible and, in certain circumstances, non-compatible uses within the reserves. As the long run preservation of agricultural land is to be given priority in regional planning, and as regions have already been permitted to isolate land for 5 years' expansion of urban development, the Commission does not expect many appeals will be justified.

A second matter involves the establishment of subdivision regulations. In order to prevent large farms from being subdivided into small parcels which would adversely affect agricultural productivity, the minimum lot size will, in most cases, be well above current minimums (5 to 20 acres). The Commission will not establish regulations which prohibit small holdings entirely, however, as such holdings can, under intense cultivation, be very productive. The Commission also sees a role for small holdings, either in specialty crops or as hobby farms, as a buffer between existing suburbs

Current national and world food market trends indicate that there will be increasing importance attached to the production of staple and specialty foods, especially for local markets. Recent provincial and federal legislation has provided support and encouragement to the industry, thereby increasing its viability and, consequently, its ability to offer a competitive standard of living to its labour force. While these market trends and government programmes are taking effect, the Commission may be protecting land required in the long run from short run irreversible decisions.

Insofar as the activities of the Commission promote or enforce compatible regional planning, benefits may accrue to both urban and agricultural communities. Many of the negative impacts of urban development on farming may be reduced or eliminated. Sprawl and flood plain development, which have costs to both farm and urban residents, can also be halted. Useable open space, whether farm, park, or greenbelt, will be of benefit to the farmer and the urbanite.

The critical question is whether or not the prophesy that the Commission will not save farmland in the long run will come true? Urban growth would seem to be the single most powerful force that the Commission must deal with. If urban growth cannot be resisted then the Commission can only insure that farmland is lost in an orderly way. Two main factors seem crucial in the preservation of farmland in urbanizing regions.

The first is the rationalization of land use on a regional basis. Most urban areas, through sprawl and excess sub-division, have sufficient capacity to accommodate up to two decades' growth without further re-zonings. At a 1972 conference on "Land Use in the Fraser Valley", the potential for development of non-agricultural land was discussed:

The 110 square miles of developed land in Greater Vancouver presently accommodates over one million people. If we were to continue to develop at these same densities with mostly single family dwellings, there is enough room in the Lower Mainland for 3.4 million people - about 60 years if past trends hold - without touching agricultural land. But growth rates are falling, townhouse and cluster developments with higher densities are becoming increasingly popular, and the wisdom of building up the Lower Mainland as a megalopolis is being questioned. Adding these up, we would use even less land, and would probably have enough land for another 30 - 60 years, still without touching our farmland .... If we were to develop our land in townhouses, we could get 13.6 million people into the Lower Mainland. Or 25 million if we were to use 7 storey apartments. Not that we ever would want to! But those who would develop the farmlands and floodplains cannot argue that the farmland is needed for urban developments.<sup>67</sup>

If non-agricultural land was planned and used in an efficient manner, there should

not be much justifiable demand for encroachment onto agricultural reserves.

The second factor stems from changing attitudes towards urban growth. Many residents of urban areas no longer wish to see their communities viewed solely in the context of accommodating future population growth. Over the past three years the G.V.R.D. has conducted a programme of public involvement in policy formulation for a 'livable region' plan. The question of growth in the region caused considerable controversy: "the vast majority of ... (opinions expressed were) on the side of controlling growth."<sup>68</sup> At a recent G.V.R.D. Planning Department "Seminar on Management of Growth", "controlling overall growth and ... planning on the basis of some agreed growth objective" was the actively pursued policy recommended for the Regional District.<sup>69</sup> Accommodation of whatever growth occurs was rejected. Although the means by which management is to be achieved have not yet been articulated, the implications of this attitude seem quite compatible with the Land Commission's objectives.

Clearly the Land Commission is not necessarily doomed to failure as the result of an insatiable demand for urban land. The same, however, could have been said in 1966 about the L.M.R.P.B. Official Regional Plan. Anticipation of the Commission's success, therefore, requires consideration of its ability to prevent history from being repeated.

The Commission has much more power than the L.M.R.P. Board had. Given the Commission's province-wide jurisdiction, and the requirement that it and/or the provincial cabinet must approve any applications for exclusion of land from a designated agricultural reserve, the Commission will be less susceptible to pressure applied by local governments. Amendments of reserve plans will be made only when there are absolutely no alternatives for urban growth. The Commission also has significant control over actions of other government departments in matters concerning agricultural land. In the main, therefore, the Commission is in a favourable position to ensure that its objectives are attained.

Recalling that it was the actions of a provincial Cabinet which resulted in the first major deviation from the Official Regional Plan, and which undermined the Plan's credibility, it is necessary to evaluate the position of the Commission with respect to the provincial government. It is important first to note that the provincial Cabinet may exclude land from a reserve without a public hearing, approval of the Commission or application from a local government. Accepting that the Cabinet has this power, in the context of the history of the Official Regional

Plan, it is important that the provincial government does not do anything that will prejudice the objectives of the Commission. This includes not only adhering to the established reserve plans, but more importantly, acting in a manner which is supportive of the intent of the Land Commission Act.

Unfortunately one situation has already developed which, depending upon the actions of the Province, may have a negative effect on the objectives of the Land Commission. This relates to the Tilbury Industrial Park proposed by the Provincial Department of Industrial Development, Trade, and Commerce. On November 27, 1973, a Vancouver newspaper carried an article headlined "B.C. buys Delta land for industrial park".

The provincial government has bought 726 acres to start an industrial park in Delta municipality and is expected to announce shortly that 4,000 acres of farms held as backup for Roberts Bank deep-sea port will remain in agriculture... (Trade Minister Gary Lauk said) that the provincial government had spent \$4.3 million to acquire 726 acres of land ... and that it will buy more perhaps up to a total of 1,200 acres ... The land is now nearly all used for agriculture, although it has been zoned by Delta municipality for heavy industry ... Lauk said the government wanted to encourage labour-intensive industry in the area as a way of providing jobs.<sup>70</sup>

Immediate reaction from local officials was not favourable: objections centered on a) the fact that the land was prime farmland regardless of its zoning, b) that local officials were not consulted and c) that during the public hearings for the establishment of agricultural reserves in Delta, regional officials

"... faced many a hostile crowd of farmers in standing up for the government's policy (on preserving farmlands)... Now the government turns around and does the opposite; they go against their own criteria."<sup>71</sup>

The government did not make its plans known during the public hearings, nor did it inform the Land Commission of its intentions. Since the announcement of the purchase, the implications of the proposed industrial park have caused even more opposition. One concern expressed by Delta farmers is that "the existing farm operations in the vicinity of the provincial industrial land could be seriously affected, both physically and financially".<sup>72</sup> The pressure for these lands to be developed for industrial, commercial and residential purposes would also increase greatly. Critics also contend that the proposal is counter to the government's policy to preserve farmlands. The Minister of Trade has responded that:

... the Land Commission Act was not intended to preserve every square inch of farmland in perpetuity, but was designed to stem the tremendous tide of development.<sup>73</sup>

While this response may be correct, the Land Commission has stated that encroachment into agricultural reserves should be considered only in cases where there are no alternatives. As the Minister of Trade acknowledged, there is not a shortage of serviced industrial land in the region, even though purchase prices are very high.

The Minister of Trade asserts that the high price of industrial land in the region is discouraging industries from locating here. Industrial expansion is occurring in the region, to such an extent that demand-determined land prices have doubled in some industrial areas in the region over the past year.<sup>74</sup> To use public funds to subsidize industrial growth beyond the present level would be justifiable only if the benefits to the region outweigh the direct and indirect costs. In the context of this region, the stimulus to regional growth that may result from the provincial government's development objectives are in conflict with management of growth objectives of the Regional District.

Finally, this stimulus to regional growth will be a stimulus to urban expansion, increasing the rate at which vacant non-agricultural land is developed. This will mean that the demand for amendments to agricultural reserve plans to accommodate urban expansion will occur much sooner than expected, and thereby increase the difficulty of attaining the objectives of the Land Commission Act.

The critical issue here is not that 726 acres of farmland will be used for industrial purposes. What is important, as it was for the L.M.R.P.B. Regional Plan, are the implications for agricultural lands adjacent to the industrial park, and the effect of this provincial government decision on the credibility of the Land Commission Act. Anything but a judicious decision in this matter may put the Land Commission in a position similar to that of the L.M.R.P.B., and ultimately, substantiate the predicted failure of the Commission.

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preparation of maps and tables. Responsibility for any sins of omission or commission remain my own.

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20. In the Central Fraser Valley Regional District, a similar situation has been observed:

It has been estimated that from 1941 to 1966, approximately 74,000 acres of farmland in the Fraser Valley have been lost. During that same 25 year period, the Fraser Valley population increased from 440,052 to 1,055,657, a net gain of 565,605 people. This represents an average loss of 131 acres of farmland as the result of every 1,000 people added to the total Fraser Valley population.

In the Central Fraser Valley Regional District, total farm acreage reached its peak in 1951 at 111,165 acres. From 1951 to 1966, a total of 12,850 acres of farmland were lost to farming. During the same period, the entire regional district gained a total population of 13,626 people. This

represents a loss of farm acreage at 945 acres for the increase of every 1,000 people, a seven time higher rate than that of the entire Fraser Valley. Out of the total 12,850 acres of lost farmlands, the District of Langley alone accounted for a loss of 11,689 acres. It counted on municipal basis, an average loss of farm acreage at about 21,120 acres for the increase of every 1,000 people has happened in the District of Langley from 1951 to 1966.

Another phenomenon of urban sprawl is small subdivisions remaining vacant and idled. In the Central Fraser Valley Regional District, in 1961 approximately 2,965 acres of land were in small vacant subdivisions of between 1/2 and 5 acres in size. However, over a ten year period to 1971, this total decreased to 2,832 acres. Some of the formerly vacant lots were developed and some other small vacant lots were created. This can hardly be viewed as an improvement since the decrease over a ten year period is only 133 acres.

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27. "NDP gov't. halts re-zoning farms," Vancouver Sun, November 30, 1972, p. 1.
28. "Bigger farms plan rapped . . .," Vancouver Sun, December 19, 1972, p. 57.
29. "Sweeping Land-Control Powers for Panel to Buy, Zone, Freeze," Victoria Colonist, February 23, 1973, p. 1.
30. Document I-g, Land Commission Act Handbook, p. 13.
31. Document I-e, Land Commission Act Handbook, p. 10.
32. Adams, N., "Land freeze brings threat of trouble from farmers," Vancouver Sun, February 3, 1973, p. 80.
33. Dolman, R. and G. Froehlich, "Farmland," Vancouver Sun, December 30, 1972, p. 25.
34. Ibid., p. 25-26.
35. Document I-f, Land Commission Act Handbook, p. 11-12.
36. Document I-g, Land Commission Act Handbook, p. 13-17.
37. Victoria Colonist, February 23, 1973, op. cit., p. 1.
38. "Farmer sought as member of B.C. Land Commission," Vancouver Sun, March 8, 1973, p. 45.
39. Adams, N., "Land Freeze. . .," op. cit., p. 80.
40. "Lack of understanding . . .," Toronto Globe and Mail, March 17, 1973.
41. Dr. Peter Arcus, Faculty of Agriculture, University of British Columbia, as quoted in "Bill to freeze farmland won't work," Vancouver Sun, March 17, 1973, p. 3.
42. "Local bodies to get land power," Vancouver Province, March 20, 1973, p. 1.



43. "Land Act aids speculators, says SPEC," Vancouver Province, May 7, 1973, p. 3.
44. Bill 144, An Act to Amend the Succession Duty Act, (Victoria, Queen's Printer, April 13, 1973)
45. Lane, W.T., The Land Commission Act and Its Significance to British Columbia Agriculture (Speech to the B.C. Department of Agriculture, Dec. 5, 1973), p. 1-3.
46. Pearson, N., Documents pertaining to agricultural land appeals, January 24, 1974, Land Commission Files.
47. "700 appeal freeze," Vancouver Province, August 23, 1973.
48. As estimated by the B.C. Land Commission.
49. "Richmond solicitor named . . .," Vancouver Province, May 18, 1973, p. 14.
50. "Gov't. land use to be controlled," Vancouver Sun, September 14, 1973.
51. Land Commission Act Handbook, p. 73-75.
52. In the spring of 1971, the provincial government passed the Greenbelt Protection Fund Act. The Act established a fund of \$25,000,000.00 to be used for the acquisition of lands "to provide greenbelt areas to be used for farm lease, parklands without camping, forestry reserves, or other purposes designated by Cabinet." For the most part acquisitions under this Act were along highways in the Fraser Valley and southern Vancouver Island.

Although some persons held that farmland preservation could be carried out under the Greenbelt Protection Fund Act, this was unlikely. By October 1972, 40 acquisitions had been made, and approximately 1/3 of the funds had been spent:  
"At 25 million dollars every year, it would take 100 years assuming the land prices stayed the same, to buy up the agricultural land in the Lower Mainland."\*

\* Pearson, N., "The Fraser Valley. . .," Land Use in the Fraser Valley (Vancouver, U.B.C. Center for Continuing Education, 1972), p. 7.

53. Vancouver Sun, "Gov't. land use . . .," op. cit.
54. "B.C. buys two farms . . .," Vancouver Province, January 23, 1974, p. 37.
55. "Almost a consensus . . .," Vancouver Sun, September 15, 1974.
56. Greater Vancouver Regional District, Reference Book on Agricultural Reserves (Vancouver, G.V.R.D., 1973) p. 42.
57. Land Commission Appraisal Document #2
58. As both agriculturalists and the government have indicated, farmland preservation does not constitute a farm policy. The government has passed three other bills and an amendment which, by encouraging and assisting farmers, may be supportive of the Land Commission's objectives. The Agricultural Credit Act provides for both direct loans and guarantees on loans made by institutional lenders, to farmers for purposes related to purchases (of land, buildings, equipment and supplies) connected with the improvement or expansion of farm operations. The Farm Income Assurance Act provides for the payment of funds to, and the guaranteeing (or assuring) of income for, designated farmers or classes of farmers. The Farm Products Industry Improvement Act provides for financial assistance to, and direct government participation of the government in, agricultural industries and enterprises. These include

"all aspects of the production processing, and disposal of agricultural products and services relating thereto." As these three Acts were passed in October of 1973, and have only recently received initial appropriations, it is too early to assess their impact. Prior to April 18, 1973, the Assessment Equalization Act limited the annual increase in assessment for any one type of property to 5%, and to 10% for any one property. An amendment passed on April 18th removes this constraint from all but residential and farm properties. This differential mill rate (effectively) provides a shelter for these two land uses, shifting the burden of assessment increases to other property types. To the extent that this forces holders of vacant urban land to bring land forward for development, the pressure of farmland conversion will be reduced.

59. Adams, N., "Okanagan fruit farmers turn down bid to get land value compensation," Vancouver Sun, January 17, 1974, p. 13.
60. Ibid., p. 13.
61. Land Commission Appraisal Document #1
62. Lane, W.T., The Land Commission and Its Significance to British Columbia Agriculture (Speech to the B.C. Department of Agriculture, December 5, 1973), p. 4.
63. Real Estate Board of Greater Vancouver, Real Estate Trends in Metropolitan Vancouver 1973-1974 (Vancouver, R.E.B.G.V., 1973), pp. A12-A13.
64. Byssie, J.L., "Why Did Prices of Homes Go Up So Much?," Real Estate Trends in Metropolitan Vancouver 1973-1974 (Vancouver, Real Estate Board of Greater Vancouver, 1973) pp. A.1-A.3.
65. Ibid., A.3.
66. Central Mortgage and Housing Corporation, Canadian Housing Statistics, Monthly Supplement (Ottawa, C.M.H.C., December, 1973), p. 9.
67. Pearson, N., "the Fraser Valley," Land Uses in the Fraser Valley - Whose Concern?, (Vancouver, U.B.C. Center for Continuing Education, 1972) p. 9-10.
68. Greater Vancouver Regional District Seminar on the Management of Growth, Discussion Papers (Vancouver, G.V.R.D., February 13, 1974)
69. Ibid.
70. "B.C. buys Delta land for Industrial Park," Vancouver Province, November 27, 1973, p. 18.
71. "Two mayors critical of gov't. plan," Vancouver Sun, November 27, 1973, p. 3.
72. "Impact on Farms to be Discussed," G.V.R.D. Newsletter, February 1974, p. 1.
73. "Lauk says Land Commission Act. . .," Vancouver Sun, February 14, 1974, p. 21.
74. The Greater Vancouver Real Estate Board attributed the increase to continuing strong demand:

Past demand levels within industrial districts. . . have been maintained through 1973. The demand of investors within the older established industrial areas of the city of Vancouver has caused continued appreciation in values generally. Real estate activity in other industrial sectors of Metropolitan Vancouver, and in Richmond particularly, has also been steady as evidenced by the overall rise in land prices.\* No mention was made of supply shortages or stimulation of demand brought about by the freeze or the Land Commission's activity.

\* Real Estate Board of Greater Vancouver, op. cit., p. C23.

COMMENTARY

By Stanley Hamilton  
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Business Administration  
University of British  
Columbia

David Baxter's paper provided a rather complete descriptive review of the events leading to the adoption of the Land Commission Act in British Columbia. Since the paper is descriptive, I find little with which to disagree; however, several points are worth pursuing in more detail. I believe this paper demonstrates an important lesson in respect of political decision making. The furor created with the original land freeze and Land Commission Bill made it difficult, if not impossible, to conduct reasonable debate. While the original response in the province was to blame this new form of public interference on the particular political philosophy of the government in power, subsequent events across Canada suggest this is not the case. Clearly the government could and should have more carefully presented their case. One suspects the general public accepts the Land Commission Act in its final form more in relief from what might have been rather than on the merits of the case.

On page one\* of the report, a statement is made concerning the perceptions of land owners. "Therefore, it is of great importance that a decision to convert agricultural land to urban uses reflect not only the immediate demand perceived by the owner but also the immediate and long run objectives of the community." This suggests a conflict of interest between the land owner who attempts to fulfill demand for new urban shelter and some other objectives of the community. Presumably these other objectives of the community would represent, in part, the "no-growth" attitudes we find across our urban centres. It is interesting to speculate as to how we are to balance the long run objectives of the community, often reflecting the vested interest of the present members, with the desires of people seeking to become established in a community, as represented by a land owner seeking development permission.

\*(In the longer draft copy of the report presented and discussed at the C.C.D.R.R. Conference. The section referred to was omitted in the shorter, published version. D.B.)

Mr. Baxter notes that . . . "it is not clear that, in the short run, it (the Land Commission Act) has had any significant effect on either the availability or the price of developable urban land." It seems it would be important to distinguish between the impact of the freeze which preceded the Act and the impact of the Act itself. If sufficient lands remain for urban use, then the only possible short run effect would be on expectations of land developers rather than any real impact. Since the demand for land is a derived demand, in the short run price changes must reflect changes in the demand for shelter. If, in fact, there are no short run impacts on either price or availability of land, perhaps the Land Commission Act is not necessary.

Perhaps the most serious and interesting questions are contained in the sections of the Act concerning exclusion of land from the reserve. "Cabinet, therefore, may exclude land from a reserve without a public hearing, approval of the Commission or application from a local government." This raises three interesting questions:

- (1) Does this provision effectively place planning control at the provincial level, at the whims of cabinet? I use the term "Whims of cabinet" since there is no reason why Cabinet should be excused from the same due process required of municipalities or private developers.
- (2) Who is to arbitrate the obvious conflicts of interest that will arise between the Commission and say the Minister of Housing or Industry? Mr. Baxter cites one case involving Tilbury Island. Is this just the beginning? According to the Minister responsible, Tilbury Island is required for industrial use because industrial land is too expensive elsewhere. Are we now in a position where cost savings for the provincial government take precedence over good planning?
- (3) Cabinet's ability to acquire and use land, independent of the Land Commission, places the provincial government in a position to secure cheap land via the misuse of the Land Commission Act. These lands can then be used for more profitable ventures which are not available to private owners. How can this be justified as a proper method of allocating this scarce resource?

Finally, it would be of considerable assistance if we could clarify the purpose of this Act. In the paper, reference is made to quote from one Minister that: "The Land Commission Act was not intended to preserve every square inch of farmland in perpetuity, but was designed to stem the tremendous tide of development." How has this Act stemmed the tide of development? The Act affects the supply of land for urban use, not the demand. Unless steps are taken to stem demand, one must anticipate further price escalation.

By George Atamaneko  
Capital Regional District  
Victoria, B.C.

Mr. David Baxter has presented an excellent paper in which he brought together a series of chronological events, some of which were stormy, as to the functions under the B.C. Land Commission Act. His research to date provides us with some indicators of land prices currently being transacted within agricultural and non-agricultural areas. It should be mentioned that since the first order-in-council of December 21, 1972 was proclaimed prohibiting development of farmland, that the short time span of 15 months does not appear to be a true test of the land market. My remarks will relate to the need for an overall strategy in guiding land for various uses of which agricultural land is a significant part. I would agree with Professor Chung's observations that urban fringe land is a part of the larger complexities of the urban expansion process. The following areas should be considered and placed in perspective:

The shortage of food growing areas in a large part, is a result of an increase in population coupled with the lack of overall strategy for land management. Therefore, if unique food producing areas exist or have this potential because of climatic and soil conditions, such areas in themselves should have no other alternative but to be retained. The following are but a few examples in Western Canada.

- a. B.C. Okanagan fruit belt
- b. Fraser Valley in the southwest British Columbia
- c. Capital Region area of Vancouver Island for shrubs, flowers, bulbs and holly production

Land management then must be fostered within the framework of National, Provincial and Regional policy guidelines for the retention of such suitable areas. The challenge on a national scale is to firmly establish these important food and agricultural areas to the long term benefit of all Canadians.

There is a need to develop and spell out coordinated land and social policies by National, Provincial, and Regional governments, that are understood by all. Such policies for the retention of agricultural land cannot

be separated from existing and future land allotment patterns for living areas, institutions, recreation, commerce-industry and communications networks. Therefore, an educational task calling for much effort, patience and time must be built on a continuous basis. It has been suggested that some of our urban areas are becoming too large, that the daily pursuits of people leads to greater frustration, tension, anonymity and lack of well being as part of such landscape. A positive approach would be to redirect areas for urban expansion away from the farmland areas and existing large centers. However should the public in the future be expected to pay for more expensive costs over the non-farmland, that is residential and other related uses without subsidy from senior governments? Or just how much land area should set aside for urban uses at any one point in time equitable to the public and private agencies involved?

Within Victoria the Capital Regional District of the Southern Vancouver Island there is evidence to the present time, which supports David Baxter's research that farmland has not been devalued with the establishment of the Agricultural Land Reserve. In many cases such land prices have risen or stayed relatively stable since December 21, 1972. Land values for non-farm areas have appeared to continue to increase but not because of the Agricultural Land Reserve.

It should be mentioned that within the Capital Regional District there is a proliferation of many small legal parcels and many owners. However, a major question could be related to the difficulty in estimating the old question of the reasons why individual persons acquire one parcel of land over another.

By Don Ravis, Extension Division  
University of Saskatchewan  
Saskatoon

#### Summary of Questions and Issues Raised by the Audience and Panel

Does the Land Commission have greater potential of making an impact on the urban shadow problem? In comparison to the green belt program in eastern Canada, it was felt that the British Columbia experience has a greater chance of success.

The British Columbia experience suggests that there is a definite need for rational debate and information diffusion prior to legislation being enacted.

Considerable concern was expressed over the possible conflict between the Provincial Cabinet and the Land Commission. This criticism has no basis at the present time but the panel members' argument is rather convincing.

What are the implications of the agricultural land freeze and the physical development of a community? This is a fundamental question and there is presently no mechanism that protects such interests as changing densities. It was suggested that some urban land will probably be converted into more intense uses in the future.

Since the Land Commission has removed a great degree of uncertainty from fringe agricultural land, it has had the effect of more intensified farming practices, higher productivity, and more active use.

In British Columbia, a rather unique situation exists with the public authority "wearing the hat" of both developer and planner.

#### Key Questions for Further Discussion

- a. Who should receive the incremental value when land is converted from agricultural to non-agricultural use?
- b. If excessive control of land results from the intervention by the Land Commission, will this result in poor allocation or use of land?
- c. Is private and public land use at cross purposes?
- d. With regards to the problem of "infill" in the larger cities, e.g. Vancouver, Victoria, is it necessary to complement the Land Commission Act by implementing a tax to bring this land into development?
- e. Who arbitrates conflict between the farmer and the Land Commission? At the present time there is no one and it was suggested a process of public hearings are necessary.