

*Ministry of
Sustainable Resource
Management*

Agricultural Land Commission



2002/03

Annual Service Plan Report



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Accountability Statement

The 2002/03 Agricultural Land Commission Annual Service Plan Report was prepared under my direction and in accordance with the *Budget Transparency and Accountability Act*. This report compares the actual results to the expected results identified in the Commission's 2002/03 Service Plan. I am responsible for the Commission's results and the basis on which they have been reported.

A handwritten signature in black ink that reads "Stan Hagen". The signature is fluid and cursive, with the first letters of "Stan" and "Hagen" being capitalized and prominent.

Honourable Stan Hagen
Minister of Sustainable Resource Management

June 26, 2003



**Ministry of Sustainable Resource Management
Agricultural Land Commission**



The year 2002/03 was one of significant change and transition for the Agricultural Land Commission, an agency reporting to me but operating under its own legislation, the *Agricultural Land Commission Act*.

During the year, government re-focused the work of the Commission on preserving agricultural land through the provincial land reserve system — the Agricultural Land Reserve or ALR. It achieved its *New Era* commitment to make the Commission more regionally responsive to community needs by implementing a new regional panel structure for the Commission, and making decisions in the regions. The government also provided the

Commission with new tools and results-based processes to manage the ALR more efficiently and effectively.

The Commission and its staff managed these important changes while continuing to serve the public interest to preserve agricultural land and encourage and enable farming of that land. It also worked closely with agricultural stakeholders and other land and resource users, and its local government partners. The Commission, in its current Service Plan 2003/04 – 2005/06, has refined its objectives and performance measures to align itself further with government priorities, and to make it even more accountable to the public.

Agriculture makes a crucial and growing contribution to the BC economy, day in and day out, year after year. Total farm sales of \$2 billion in 2002 represented an increase of almost 12% over the previous five-year average. A stable land base, guaranteed by the ALR, ensures that agriculture and other land-based businesses can continue to grow and prosper.

With the ALR, land is available for agriculture and many other activities, ranging from wineries and home-based businesses to oil and gas development and gravel extraction. Without the ALR, BC would not have the stable land base for many rural economic activities such as our successful and growing wine industry.

Through our ‘heartlands strategy’, government has renewed its commitment to agriculture and has recognized its many contributions to rural communities and regional economies. The BC Progress Board reported that the re-vitalization of land-based industries, including agriculture, will be a critical determinant of economic prosperity for BC. The government’s Strategic Plan has a goal of “safe, healthy communities and a sustainable environment”; successful agriculture is a critical and indispensable component of sustainable communities and a prosperous provincial economy.

The Agricultural Land Commission, on behalf of government, is committed to successfully serving the public interest in preserving agricultural lands, for both present and future generations. Its success over the past 30 years is one of the reasons why BC is a leader in agricultural technologies, such as greenhouse production, and in agri-food exports, which are recognized for their safety and quality, and which are increasing annually. With an enhanced provincial land reserve system in place, BC will continue to reap the benefits of a protected land base for agriculture and other compatible activities, and of a continuing, safe and secure food supply.

A handwritten signature in black ink that reads "Stan Hagen". The signature is written in a cursive, flowing style.

Honourable Stan Hagen
Minister of Sustainable Resource Management

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Year-at-a-Glance Highlights

The fiscal year 2002/2003 was one of significant change and innovation for the Agricultural Land Commission. Core Review re-confirmed government's commitment to agricultural land preservation through a provincial land reserve system. At the same time, the Commission was directed to deliver its public services more effectively, and to adopt a more regionally based model.

The Commission was re-structured to provide more regional representation in decision-making. New legislation was passed to provide the Commission with new tools to manage the Agricultural Land Reserve (ALR) and to streamline administration. Significant deregulation was accomplished and new results-based processes were initiated. The Commission promoted the option of delegating some land use decision-making in the ALR to local governments and public authorities. In response to government direction through Core Review, the Commission also took steps to phase out the Forest Land Reserve (FLR) and to transfer responsibility for forest practices regulation on private managed forest lands to a new entity. The Commission continued to work with many stakeholders and communities of interest to achieve its mandate.

The *New Era* Commitment — to increase the regional responsiveness of the Commission to community needs — was achieved in 2002/03 through a number of changes and initiatives highlighted below. In particular, the new regional panel structure brought decision-making for the ALR closer to those affected; and opportunities for communication and coordination amongst the Commission, communities and individuals were improved across the province.

During this year of rapid change the Commission managed a workforce adjustment from twenty-nine full-time equivalent staff (FTE) to twenty-three at the end of the year, together with a budget reduction of 13%.

Focus on Agricultural Land Preservation

- Government confirmed that a provincial land reserve system to protect agricultural land was in the public interest and should be maintained.
- The work of the Commission was re-focused on agricultural land preservation and the more efficient and effective management of the ALR.
- Its name was changed from the Land Reserve Commission to the Agricultural Land Commission (November 1, 2002) to reflect the re-focused mandate.
- The Commission's responsibility for land use regulation in the Forest Land Reserve was eliminated. The regulation of forest practices on private land was continued through a transition phase, with anticipated phasing out during late 2003.

Commission Re-structuring

- Six panels of the Commission were created based on six regions of the Province: Interior, Island, South Coastal, North, Okanagan and Kootenay.
- Eighteen new Commissioners were appointed in May 2002 to form six 3-member panels, each headed by a Vice Chair. The Commission Chair and CEO is the 19th Commissioner.
- An Executive Committee was created comprised of the Chair and the six Vice Chairs.
- Panel members, appointed from regions, met in their regions and made all ALR decisions for those regions.
- The full Commission (19 members) met three times during the year to discuss policy and operations.

New Legislation

- New legislation — the *Agricultural Land Commission Act, 2002* — was passed by the Legislature in the spring 2002 legislative session and came into effect November 1, 2002.
- Consequential amendments to the Act repealed the *Land Reserve Commission Act*, *Agricultural Land Reserve Act* and *Soil Conservation Act*.
- Legislation provided new tools to manage the Reserve including authority for a regional panel structure; a dispute resolution process for community issues; a notification process for soil removal and fill activities; and enhanced enforcement and compliance powers.
- A new regulation — *Agricultural Land Reserve Use, Subdivision and Procedure Regulation* — came into effect November 1, 2002 and Cabinet repealed four sets of regulations replaced by the new regulation.

De-regulation and Results-based Processes

- Implementation of the new legislation and regulations reduced regulatory requirements within the Commission's responsibility areas by 18%.
- New regulations broadened permitted uses in the ALR, allowing additional farm-related, complementary and value-added activities that helped to expand economic opportunity.
- New legislative provisions replaced a cumbersome regulatory process under the former *Soil Conservation Act* with a results-based process for the removal of soil and placement of fill in the ALR.

Shared Decision-making through Delegation

- New legislative provisions enhanced the opportunity for shared decision-making with local governments and public authorities for land use and subdivision decisions in the ALR.
- Meetings were held with 58 local governments to promote the option for municipal councils and regional boards to assume certain powers for decision-making in the ALR, through delegation agreements with the Commission.

- Negotiations commenced with the Oil and Gas Commission to prepare an agreement for the delegation of specified oil and gas development approvals in the Peace and Northern Rockies regional districts.

Phase-out of Forest Land Reserve

- Amendments to the *Forest Land Reserve Act*, effective November 1, 2002, eliminated the Commission's authority to regulate land use in the Forest Land Reserve, and eliminated the Crown Forest Land Reserve designation.
- The Commission continued to regulate forest practices on private managed forest lands in the FLR and to decide applications for inclusion to, and exclusion from, the FLR during the transition period to phase out the FLR.
- Work began on the development of a new model to regulate forest practices on private managed forest lands. New legislation, expected in the coming fiscal year, will implement this model and create a public/private partnership.

Partnerships and Collaboration

- The Commission continued its practice of meeting with local governments and their advisory committees to discuss land use and community issues, and to promote better understanding of the economic and social contributions made to communities by the farm sector.
- With the implementation of regional panels, the number of on-site meetings with applicants and stakeholders increased dramatically from previous years.
- The Commission participated in strategic planning initiatives with a number of communities including Greater Vancouver Regional District, Fraser Valley Regional District, Nanaimo Regional District, Saanich Peninsula municipalities, and Fort St. John and area.
- Memoranda of Understanding (MOU's) were developed with agencies such as Land and Water BC.
- The Commission worked with the Oil and Gas Commission towards a delegation agreement, the first anticipated agreement with a public agency, as provided in the new legislation.

Key Outcome

For thirty years British Columbia has had a provincial land reserve system in place. The presence of a province-wide ALR has provided the land base for an agricultural economy that has consistently expanded over this period, and has influenced how BC's rural and urban communities have developed. Of particular importance has been the success that BC communities have achieved in limiting sprawl. A big part of this success is due to the fact that agricultural lands around many communities are restricted from urban development by the ALR.

A recent study by Smart Growth BC and Northwest Environment Watch entitled “Sprawl and Smart Growth in Greater Vancouver” credited BC’s ALR for helping to achieve compact development and limiting sprawl in Greater Vancouver. The study showed that Vancouver, which almost doubled its population between 1986 and 2001, significantly increased urban density while also protecting agricultural land and green space.

In contrast, Seattle’s weaker zoning and other protections led to rampant sprawl, increased traffic congestion and an associated loss of farmland and open space. The study noted that if Vancouver’s growth had followed the same pattern as Seattle’s, “four fifths of [its] remaining agricultural land would be covered with tracts of suburban housing”.

Containing urban sprawl and encouraging compact development are important to maintaining sustainability and quality of life in a region; increasing the efficient delivery of services, including transportation; and reducing costs. Despite significant population growth in the Lower Mainland (as well as other areas of the province) the provincial land reserve system, in addition to securing the land needed for successful agriculture, has helped shape more efficient development and has reduced servicing costs to communities.

Commission Role and Services

The Commission has a clearly defined public purpose, authority and role which are laid out in the legislation it administers on behalf of the province — the *Agricultural Land Commission Act, 2002*. The legislation describes the purpose of the Commission:

- (a) to preserve agricultural land;
- (b) to encourage farming on agricultural land in collaboration with other communities of interest; and
- (c) to encourage local governments, First Nations, the government and its agents to enable and accommodate farm use of agricultural land and uses compatible with agriculture in their plans, bylaws and policies.

The Commission's vision, mission, and values are outlined in its 2002/03 to 2004/05 Service Plan, as follows:

Vision

An agricultural land reserve system that:

- Protects the land base needed to provide a safe and secure source of food;
- Expands economic opportunities;
- Promotes healthy communities; and
- Enhances economic, social and environmental sustainability.

The Agricultural Land Reserve provides a sustainable agricultural land base that supports, and creates opportunities for, a safe and secure source of food and other agricultural products. The protected land base provides for agricultural expansion and compatible economic activities. It helps build healthy and sustainable rural and urban communities.

The Commission's vision is consistent with the government's strategic vision and the Ministry of Sustainable Resource Management's vision of "a vibrant economy supporting the social and environmental values of British Columbians".

Mission

The Commission's mission is "to protect the agricultural land base necessary to provide a safe and secure food supply that meets the current and future needs of British Columbians."

The Agricultural Land Commission is the provincial agency responsible for administering the Province's land use zone in favour of agriculture — the Agricultural Land Reserve. In pursuit of its vision and mission the Commission adjudicates change of use applications; reviews plans and bylaws to ensure consistency with provincial objectives; and works with local governments and others to encourage and enable farming of agricultural lands.

The preservation of agricultural land and encouragement of farming is a provincial interest that has widespread public and industry support.¹

Values

The Commission is committed to the following values from its 2002/03 – 2004/05 Service Plan that guided its activities and the delivery of public services:

Partnership, collaboration and consultation — The Commission is aware that its decisions affect others, and that others may share in the responsibility for making decisions. The Commission strives to develop working relationships with local governments, First Nations and other communities of interest and to ensure consultation with all stakeholders in its decisions.

Science and knowledge — Land Reserve boundaries and land use decisions are based on biophysical criteria as well as local circumstances.

Comprehensive and integrated approach — Policies and programs foster long-term sustainability in the interests of BC's future development by considering a range of economic, social and environmental values.

Accountability, fairness and transparency — The Commission acts fairly and in the public interest. The Commission is accountable for its actions and the bases of decisions are public information, available to all those affected by a decision.

Responsiveness — The Commission, in discharging its responsibility to protect the provincial interest, responds to the needs of farmers, landowners, applicants, local governments and others.

Commission Operating Context

A number of events, both external and internal, impacted the work of the Commission and its ability to achieve some of its objectives and targets during 2002/03. Government's Core Review had the largest impact on how the Commission changed its delivery of services to the public. Core Review directed the Commission to re-focus its mandate on agricultural land preservation; re-structure the Commission; and phase out the FLR. In addition, budget and staff reductions made continuing refinement of the Commission's operations necessary.

As anticipated, external trends led to a growth in the agricultural sector through increased exports and domestic consumption. Expanding population coupled with growing incomes provided larger Canadian and export markets for BC agri-food products. As an illustration, in 2002 the primary agricultural sector generated \$2.0 billion in cash receipts, an increase of 12%, and agri-food exports earned \$1.5 billion, up 21%, both from their previous five-year

¹ "British Columbia Agri-business Survey No. 3, June 2002" by the Canadian Federation of Independent Business reported 89% of respondents (BC agri-business members) support leaving the ALR in place.

averages. BC has shown significant double-digit growth in total farm income, year after year, an achievement supported by a protected land base. At the same time population growth in the Lower Mainland, Okanagan Valley and on Vancouver Island translated into continuing pressure on the ALR, particularly in these regions. These three areas contain 81 % of BC's population but only 2.7% of the land area of the province; they accounted for 81 % of BC's gross farm income in 2000. This illustrates the need to plan for agriculture, as well as for settlement, and to ensure that farmers' rights to farm are recognized and protected.

Increasing public awareness of the environment highlighted the importance of agricultural land for other values such as wildlife habitat and recreation, and created demands for more sustainable farming practices by industry. These were challenges addressed by the Ministry of Agriculture, Food and Fisheries with the participation, in relevant cases, of the Commission.

The First Nations treaty settlement process, only indirectly involving the Commission, made limited progress during the year. Some proposed treaty settlement areas potentially involve large tracts of ALR land and the ALR issues in these areas must be addressed before treaties are finalized. While the Commission had very limited involvement in the 2002/03 discussions, the issue remains a priority. Renewed emphasis by the federal and provincial governments on completing treaty negotiations will require significant additional work for the Commission in the coming years. The issue of ALR lands within treaty settlement areas is considered a high risk one for the Commission's mandate of preserving agricultural land; however the Commission has limited influence over the process and the outcomes, which are negotiable, are uncertain. The Commission is working towards resolving some land selection issues that involve ALR, prior to treaty agreements in principle.

The many strategic and institutional changes accomplished by government during the year afforded some opportunities for partnerships and the more efficient delivery of services. For example, the Agricultural Land Commission and the Oil and Gas Commission worked towards an agreement to delegate oil and gas development approvals in the ALR to the Oil and Gas Commission in the Peace Region. Completion of this agreement is expected by mid-2003.

While the Commission devoted considerable time and energy to promoting the option of voluntary shared decision-making through delegation to local governments, many local governments were not receptive. The Commission renewed its delegation agreement with Fraser-Fort George Regional District and expanded the extent of the delegated area, following a successful two-year pilot project. However, some local governments appeared reluctant to assume these additional powers for a variety of reasons. The Commission also recognized the need to better explain to local governments, the process for and benefits of assuming delegated powers for the ALR.

The Commission carried out its renewed mandate during a year of significant and far-reaching change, both within its own organization and in government as a whole. The revisions to the Commission's core functions and its transition to new business processes were nevertheless on schedule.

Strategic Shifts and Policy Changes

Core Review direction, provided by government in January 2002, was implemented by the Commission during the fiscal year. For the Agricultural Land Reserve, the following strategic shifts were undertaken:

- From a Commission with three regional panels, each covering two regions of the province, to six regional panels with appointees from each region, making decisions in that region.
- From limited delegation of land use and subdivision decisions to local governments, to delegation to any local government willing to voluntarily negotiate delegation with the Commission (this shift was modified during the year).
- From inflexible legislation and regulations, to more streamlined processes and regulations through the adoption of new legislation and regulations.
- From limited uses permitted in the ALR, to expanded permitted uses to help create and enhance economic opportunities for farmers and others in the Reserve.
- From prescriptive regulatory processes, to results-based processes.

Core Review determined that the Forest Land Reserve system was not an effective way to regulate forest land use and was therefore not in the public interest. Regarding the regulation of forest practices on private land, government determined that a continuing government role was in the public interest, but that this interest would be better served by an alternate delivery system. For the Forest Land Reserve, the following strategic shifts were undertaken:

- From a land use system (the FLR) for private forest lands regulated by the Land Reserve Commission (now the Agricultural Land Commission), to elimination of this system.
- From Commission administered forest practices regulation on private lands, to a new results-based system regulated by industry in partnership with government, with continuing oversight by government (shift is ongoing in 2003/04).

As a result of government direction through Core Review and other government commitments, the Commission undertook major re-organization and re-tooling during the year to accomplish these strategic shifts and improve its service delivery to the public.

Update on *New Era* Commitments

The *New Era* commitment for the Commission was “to increase the regional responsiveness of the Commission to community needs”. In May 2002 government changed the structure of the Commission and improved its regional representation by appointing eighteen Commissioners from six regions of the province, to regional panels of the Commission. This new structure enabled the Commission to better reflect local knowledge and to improve opportunities for local input into decision-making.

Commission strategies to increase local involvement in decision-making, and to encourage local governments to assume authority for more land use decisions in the ALR, were commenced during 2002/03. Legislative amendments provided the Commission with a dispute resolution tool to help it resolve disputes with local governments involving community issues and the ALR. When making decisions, the Commission considered community interests together with the provincial interest in preserving agricultural land and sustaining natural resources.

Government made a *New Era* commitment to reduce regulatory requirements across government by one-third by the end of 2004/05. The Commission, in implementing its Core Review direction, made significant progress towards regulatory streamlining. With the adoption of the *Agricultural Land Commission Act* and the *Agricultural Land Reserve Use, Subdivision and Procedure Regulation* effective November 1, 2002, the Commission achieved an 18% reduction in regulations. With further streamlining brought about by revised policies and an anticipated delegation agreement with the Oil and Gas Commission, additional reductions will be achieved. When new legislation is passed to manage forest practices on private lands through a public/private partnership, further reductions will be realized with the concurrent repeal of the *Forest Land Reserve Act*. In total, the anticipated reduction in regulatory requirements for the Commission will exceed 66%, when deregulation is completed, expected by the end of 2003/04.

Key Program Areas and Services

The Agricultural Land Commission administers the Agricultural Land Reserve, a provincial land use zone that encompasses 4.75 million hectares of agricultural land. The ALR was established during 1973-74 based on a review of agricultural capability (a combination of soil and climate ratings), existing land use and an extensive consultation process with local governments and others. The boundaries of the ALR are continually adjusted to reflect better information on the suitability of lands for agriculture, changes in land use and community needs. Boundary adjustments result from decisions made through the application process and through community plan reviews.

The *Agricultural Land Commission Act, 2002*, sets out procedures for land use approvals including the inclusion or removal of land from the ALR, and non-farm uses and subdivisions within the ALR. Among other provisions, the Act provides for the delegation of authority to decide non-farm use and subdivision applications to a local government or a public authority. The Act is supported by the *Agricultural Land Reserve Use, Subdivision and Procedure Regulation*, which defines permitted land uses within the ALR and details procedures for applications and enforcement and compliance activities for the Reserve.

In addition to land use applications under the Act, the Commission reviews relevant plans and bylaws of local governments to ensure that the ALR is properly identified and that local policies are supportive of the ALR and farmland preservation. The Commission works with other agencies and ministries to ensure that their policies and programs support and do not hinder farming on agricultural land.

The Commission's clients are the public, property owners in the ALR, local governments, farm businesses, related agricultural industries and service providers and other ministries and agencies of government. The business of the Commission is carried out through three functional areas:

1. Strategic Planning and Corporate Policy. This includes the Commission's policy development role and participation in the planning and policy initiatives of other organizations including local governments, First Nations, the government and its agents.
 - The Commission reviewed and commented on 49 planning documents during the year, including 36 plans and bylaws of local governments.
 - Since 1975 the Commission has reviewed over 800 planning documents.
2. Regional operations. The primary focus of this function is on the review and adjudication of applications under the legislation, and compliance with and enforcement of the legislated authority.
 - 465 applications were reviewed and decided.
 - The area of land in the ALR was marginally reduced. (see Appendix 1 for ALR area by region)
 - 58 meetings were held with local governments. (see Appendix 2 for list of local government/Commission meetings by region)
3. Administration and Information Systems. This function includes secretarial and administrative support together with records management. The Commission maintains an application database and updates and maintains ALR mapping for the province.
 - As of March 31, 2003, the ALR was 4,752,853 hectares in area.
 - More than 75 ALR quarterly mapping revisions were made.
 - A pilot project electronically scanned historical applications (1,200 files from 1974-1994) from Cowichan Valley Regional District.
 - The Commission website was updated throughout the year and application forms were made available electronically.
 - The Commission shipped two thirds (23,500 files) of its total files off-site as part of its office space reduction.

In addition to its ALR program the Commission continued to manage the Forest Land Reserve. During this transition year the FLR designation remained in place and the Commission made decisions on inclusion and exclusion applications for the FLR. Commission responsibility to regulate land use in the FLR was eliminated by amendments to the *Forest Land Reserve Act*, which became effective November 1, 2002. The Commission retained responsibility for managing forest practices on identified lands in the ALR and FLR during this time, while collaboratively working on legislation to create a new public/private partnership to take over this function. Enforcement and compliance activities in this area included:

- 2 audits of forest practices on identified lands undertaken on Vancouver Island and in the Kootenays.

- One hearing to determine whether a forest practices contravention occurred on private forest land.
 - One investigation of 9 reported contraventions.
 - One appeal hearing.
-

Goals, Objectives and Key Strategies

The Commission has always been committed to fulfilling its public purpose to preserve agricultural land and to work with other communities of interest to encourage farming and compatible uses. To accomplish its vision, mission and purpose, the Commission worked to achieve the following goals and objectives for the year:

Goal 1: Ensure that the Commission is responsive, efficient and accountable

This operational goal describes how the Commission achieves its mandate, which is provided by the legislature through legislation. The Commission goal is to serve the public purpose in a responsive, efficient and accountable manner.

Achieving this goal improves the Commission's services to the public and its government partners.

The Commission is solely responsible for the goal of responsiveness, efficiency and accountability. It is also responsible for the objective of collaborative governance, but this requires the interest and participation of its local government partners and other ministries and agencies.

How were the objectives achieved? The Commission structure and operations were changed during the year to make it more responsive, efficient and accountable. The six panel structure placed decision-making in the regions, closer to those affected. Significant progress was made towards the Commission objectives to increase regional responsiveness and to encourage collaborative governance of the ALR. With a renewed legislative mandate and additional tools to protect agricultural land, the Commission was able to improve the efficiency and effectiveness of its operations. The Commission also began to develop a comprehensive performance management system to improve its accountability to government and the public.

Goal 2: Protect the agricultural land base

This goal is the primary purpose and mandate of the Commission as set out in the *Agricultural Land Commission Act*. The Commission's mandate to preserve agricultural land is accomplished through provincial zoning — the Agricultural Land Reserve.

Achieving this goal helps to ensure a safe and secure source of food for both domestic and export markets, and to contribute to economic and social sustainability. Everyone in BC benefits by the availability of fresh, locally produced, high quality food.

The Commission is primarily responsible for protecting the agricultural land base. However it relies on local governments, ministries and agencies to help protect agricultural lands through their own policies and planning. These collaborative relationships, with local governments and others, are critical to achieving success for the goal of protecting agricultural lands.

How were the objectives achieved? The Commission's objectives are to ensure that lands suitable for agriculture are retained in the ALR and non-farm uses do not significantly impact agricultural suitability and use. The Commission worked with local governments, First Nations and other agencies to ensure that the ALR was appropriately reflected in their land use plans, policies and agreements. In its decision-making, the Commission balanced the provincial interest with community interests to preserve agricultural lands throughout BC.

Goal 3: Enhance the sustainable use of the agricultural land base.

This goal is complementary to the Commission's purpose to encourage farming on agricultural land. Encouraging farming and other compatible economic activities on agricultural land enhances the use of agricultural land, and contributes to overall sustainability.

Achieving this goal helps to realize the government's goals of "a strong and vibrant provincial economy", and "safe, healthy communities and a sustainable environment". Growth in the agriculture sector contributes to the provincial and regional economies, creates jobs and enhances rural stability. As an important and steady contributor to local and regional economies, agriculture helps stabilize incomes in communities where resource industries are cyclical or in decline. The public benefits from a healthy agricultural sector that, in addition to producing high quality food and other agricultural products, provides environmental values including habitat, recreation opportunities, hydrological functions, air cleansing, green space and more.

The Commission shares the responsibility for encouraging farm use of agricultural lands with its key partners. These include local governments, the agricultural sector and its professional organizations, the Ministry of Agriculture, Food and Fisheries, the Ministry of Sustainable Resource Management, other ministries and agencies, Agriculture Canada and other federal agencies, and First Nations.

How were the objectives achieved? To achieve the sustainable use of agricultural land, the Commission worked with local governments and other agencies to ensure that their plans, policies and activities permitted and enabled the use of the ALR for agriculture. With the objective of economic growth, in November 2002 government amended the Commission's regulations to provide for additional farm and rural diversification, value-added activities and complementary non-farm uses within the ALR to support working farms and to help stabilize local economies.

Performance Reporting

Commission Goals, Objectives, Key Strategies and Results

The Commission's three goals and eleven objectives relate to its vision, purpose and mission "to protect the agricultural land base necessary to provide a safe and secure food supply that meets the current and future needs of British Columbians". Government and the Commission undertook a number of changes to make the Commission more regionally responsive to community needs, thus fulfilling government's *New Era* commitment. Additional changes also brought the Commission's work in line with government goals for "a strong and vibrant provincial economy" and "safe, healthy communities and a sustainable environment".

As this fiscal year was one of significant change and transition for the Commission, its methods of performance assessment required major re-thinking and re-design. This work was commenced but not completed during the year, as the Commission's priorities were to manage the changes themselves.

As well, the experience of working under the first Service Plan has provided positive feedback to the Commission to refine and further develop the objectives, strategies and measures for the 2003/04 – 2005/06 Service Plan.

The design of its new performance management system involved the identification of appropriate parameters and data sources for measuring the performance of the Commission on its 2003/04 – 2005/06 Service Plan objectives and strategies, many of which were changed from the plan reported on here. The new performance management system will be implemented for the 2003/04 Annual Service Plan Report.

As a result, performance measures reported for the year 2002/03 lack baseline and trend data. Furthermore, in some cases targets were not established or are no longer relevant.

The following tables set out the Commission objectives and key strategies for each of its three goals for 2002/03. Performance measures and targets (where available) are reported and linked to the goals and objectives that they address, with either qualitative or quantitative measures or indicators.

Goal 1: Ensure that the Commission is responsive, efficient and accountable

Objectives:

1.1 To increase the regional responsiveness of the Commission to community needs

1.2 To encourage collaborative governance of the ALR

Strategies			
<ul style="list-style-type: none"> • Re-organize Commission as 6 panels based in regions. • Develop action plans specific to regions with provincial, local government and stakeholder input. • Work with local governments to address community needs through community planning processes. • Reduce the application workload through voluntary delegation of non-farm and subdivision applications to local governments and other agencies and by expanding the range of permitted non-farm uses. • Develop appropriate dispute resolution mechanisms for resolving conflicts and balancing interests. • Participate in the Community Charter initiative. 			
Performance Measure	2002/03 Target	2002/03 Actual	Explanation of Variance
Commission responsiveness to the needs of local governments and stakeholders (Objective 1.1)	Increase (no target or baseline established)	<ul style="list-style-type: none"> • Responsiveness achieved through regional panel decision-making • Regional action plans adopted • Permitted uses expanded 	
Commission concurrence with local government recommendation (new measure)	% applications with concurrence	82% of applications have direct concurrence or general concurrence (latter includes 27% of applications without local government comment)	2002/03 will form baseline

Accomplishments During the Year

- New legislation, *Agricultural Land Commission Act*, passed and brought into effect November 1, 2002, providing for new structure, authorities and tools
- New Commission structure with 6 regional panels, in place since May 1, 2002
- Commission panels met and made decisions in all regions
- New regulation passed and brought into effect November 1, 2002, providing for expanded permitted uses in ALR and new results-based processes
- Dispute resolution provisions in place in legislation to help resolve disputes between Commission and local governments over community issues
- Comments provided on draft Community Charter legislation
- 65% of the area in the ALR now available from the Commission as digital maps (GIS); plans are in place to digitize all ALR mapping.
- The objective to “encourage collaborative governance of the ALR” revised to focus on those local governments who were interested in and supportive of assuming decision powers under delegation.

Goal 1: Ensure that the Commission is responsive, efficient and accountable (continued)

Objectives:

- 1.3 To respond to applications in a timely manner
- 1.4 To ensure Commission decisions are made in a transparent, fair and equitable manner
- 1.5 To improve the efficiency of the ALR program
- 1.6 To ensure that the Commission is accountable for results

Strategies

- Move to modified results-based processes for planning, soil deposition/removal and other areas
- Reduce regulations and applications by streamlining the Act and Regulations and by eliminating the *Soil Conservation Act* by incorporating key provisions into the ALR regulations
- Set standards for application response times and monitor results using the Application Tracking System
- Revise the Commission Governance Policy to reflect the outcomes of the Administrative Justice Project
- Consult on the feasibility of increased cost recovery through a “recapture charge” for lands removed from the ALR
- Monitor the impact of Commission and delegated decisions on the provincial interest in agricultural land and report results publicly
- Transfer the regulation of land use and forest practices on private land within the FLR to another agency, industry or a public-private partnership

Agricultural Land Commission

Performance Measure	2002/03 Target	2002/03 Actual	Explanation of Variance
Delegation of use and subdivision application decisions to local governments (Goal 1, Objective 1.5)	60% of non-farm and subdivision applications decided by local governments and other agencies by 2004/05	<ul style="list-style-type: none"> • Target and measure under review • Delegation to one agency (Oil and Gas Commission) underway but not completed 	Local governments chose not to participate in shared decision-making through delegation (apart from 1 regional district with delegation already in place)
Application work load (Objective 1.5)	20% of application load reduced through regulatory reductions by end of 2004/05	<ul style="list-style-type: none"> • Special case and soil removal/fill applications reduced by 12% • Exclusion and subdivision applications increased, with overall increase 	<ul style="list-style-type: none"> • Regulatory changes took effect Nov. 2002 — half way through fiscal year • Difficult to measure as new permitted uses no longer require application
Application response times (Objective 1.3)	80% of applications decided within 60 days of receipt	32% of applications decided within 60 days of receipt (66% of applications decided within 90 days of receipt)	<ul style="list-style-type: none"> • Transition costs, timing, travel scheduling and staff reductions extended application processing and response time

Accomplishments During the Year

- Revised Act and regulations provided streamlined processes; *Soil Conservation Act* repealed and replaced by streamlined provisions in new Act.
- Results-based process adopted for specified soil deposition/removal activities in the ALR, replacing former two-stage application procedure.
- Commission Governance Policy revised.
- Increased cost recovery through “recapture charge” for lands excluded from the ALR, discussed at political level and rejected as infeasible.
- Work underway on developing a performance management system and on target for fiscal 2003/04.
- Commission regulation of land use in the Forest Land Reserve eliminated and transfer of forest practices regulation in the FLR to a public/private partnership underway but not complete by year end.
- Performance target for application response time was not met due to an overall increase in the number of applications received, and practical issues such as restructuring, staff re-assignments and travel to areas within a region (distances, weather, scheduling constraints etc.). As a result, the performance target for application response time was revised, with the Minister’s approval, to “80% of applications decided within 90 days of receipt” for 2003/04.
- Commission achieved an application response time of 66% of applications decided within 90 days.

Goal 2: Protect the Land Base

Objectives:

- 2.1 Ensure that lands suitable for agriculture are retained within the ALR.
- 2.2 Ensure that non-farm land use and subdivision within the ALR do not significantly impact on the suitability of lands for agriculture or existing agricultural operations.
- 2.3 Work with local governments, First Nations and other agencies to ensure that the ALR is appropriately reflected in their land use plans, policies and agreements.

Strategies

- Review and decide applications for inclusion, exclusion, non-farm use and subdivision under the *Agricultural Land Reserve Act* (now the *Agricultural Land Commission Act*) using the best available information, including site visits and meetings with applicants where possible.
- To reduce the amount of suitable agricultural land excluded from the ALR or alienated by incompatible development.
- Review the agricultural suitability of lands within the ALR as needed in response to improved information, planning reviews and land use trends
- Improve agriculture and the suitability of lands for agriculture by negotiating, where appropriate, compensating benefits for agriculture if lands are removed from the ALR or converted to a non-farm use or subdivided.
- Monitor the impact of Commission decisions, policies and uses permitted under the Act and regulations on agriculture and the suitability of lands for agriculture.
- Establish guidelines for Official Community Plans that address the provincial interest in agricultural land preservation and criteria for auditing plans, as part of a modified results-based approach to planning for the ALR and as a basis for delegation.
- Participate in treaty settlement negotiations that involve the selection by First Nations of lands designated ALR.

Performance Measure	2002/03 Target	2002/03 Actual	Explanation of Variance
Number of site visits increased (Objectives 1.4, 2.1)	80% of applications decided after site visit	74% of applications decided after site visit	<ul style="list-style-type: none"> • Overall increase in number of applications • Site visits were not necessary in some cases
Exclusions of suitable ALR compensated by a 'net benefit' to agriculture or by satisfying a community need through planning (Objective 2.2)	100% of exclusion applications of suitable land decided with 'net benefit' or for a community need	'Net benefit' decision reason not tracked	Revised performance measure underway for 2003/04
Amount of land removed from the ALR (other than for poor suitability or community need) minimized (Objective 2.2)	Amount of ALR land excluded minimized	<ul style="list-style-type: none"> • 1,922 ha. excluded compared to 1,364 ha. in 2001/02 • 973 ha. included for net reduction of 949 ha. 	<ul style="list-style-type: none"> • Overall increase in number of applications • Land excluded less than 1% (0.4) of Reserve area • Revised performance measure underway for 2003/04
Consistency between community plans and ALR guidelines (Objective 2.3)	80% of community plans are consistent with provincial ALR guidelines	96% (25 of 26) of community plans reviewed deemed consistent	

Accomplishments During the Year

- Commission distributed 9 bulletins to 133 local governments on legislative, regulatory and procedural changes.
- 465 new applications decided and 133 applications reconsidered by the Commission, a slight increase over 2001/02 (449 new applications decided).
- 393 site visits made to decide 531 applications.
- Of the 1,922 ha. of land excluded from the ALR, 1,102 ha. were excluded in the Anarchist Mountain area in the South Okanagan because of poor capability and suitability for agriculture.
- Commission reviewed and commented on 26 local government community plans and 10 zoning bylaws.

Goal 3: Enhance the sustainable use of the agricultural land base

Objectives:

- 3.1 Work with local governments, First Nations and other agencies to ensure that their plans, policies and activities permit and enhance the use of the ALR for agriculture.
- 3.2 Provide for farm and rural diversification, value-added activities and complementary non-farm uses within the ALR to support working farms and to stabilize local economies.

Strategies			
<ul style="list-style-type: none"> • Consult with local governments, First Nations and other agencies and/or develop guidelines to ensure that their plans, policies and activities permit and encourage farm uses within the ALR and that non-farm development does not negatively impact on existing agricultural operations or agricultural potential. • Pursue collaborative governance arrangements that balance agricultural land preservation with the needs and aboriginal rights of First Nations. • Identify non-farm uses and value-added activities that can be permitted in the ALR without negative impacts on agricultural businesses or the long-term suitability of lands for agriculture. 			
Performance Measure	2002/03 Target	2002/03 Actual	Explanation of Variance
Percentage of plans, policies and activities that encourage farm uses and protect existing agricultural businesses (Objective 3.1)	No target established	Not tracked	Performance measure revised for 2003/04 Plan audits not conducted due to other priorities
Agreements entered into with First Nations (Objective 3.1)	Number of agreements	No agreements made	Commission involved indirectly in pre-treaty discussions
Increase # of complementary non-farm uses and value added activities permitted (Objective 3.2)	No target established	Number of non-farm uses and value-added activities permitted by regulation increased by 81% (from 11 to 57)	
Impact of non-farm uses and value-added activities (Objectives 2.2, 3.2)	No target established	Not tracked	Revised performance indicator underway for 2003/04

Accomplishments During the Year

- Commission held 5 regional workshops for 247 local government and provincial staff to explain changes to the legislation, regulations and procedures.
- Commission panels met with 58 local governments across the province (see Appendix 2).
- Commission staff participated in 3 pre-treaty discussions on the selection of ALR lands for treaty settlements.
- Commission prepared a draft policy on First Nations treaty settlements and the ALR, for treaty discussions.
- Commission staff commenced discussions with treaty negotiators and several First Nations as a preliminary step to negotiations. Neither the Commission nor its staff participated directly in treaty negotiations.
- Commission identified value-added farm activities and complementary non-farm uses that could be permitted in the ALR without negative impacts on agriculture; these were permitted by amending the ALR regulation.
- Commission worked with Ministry of Agriculture, Food and Fisheries to jointly develop and publish “A Guide to Developing Trails in Farm and Ranch Areas”.

Deregulation

Government’s *New Era* commitment is to achieve a two-thirds reduction in regulatory requirements across government by the end of 2004/05. Through legislative amendments and policy revisions, government and the Commission reduced regulatory requirements for the Commission’s areas of responsibility by 18% during the fiscal year.

Further significant reductions will be achieved when new legislation eliminates the FLR, and the Commission’s role in regulating forest practices on private managed forest lands is ended. However some of the regulatory requirements for the regulation of forest practices on private lands will be transferred elsewhere within the Ministry. When the Commission delegates oil and gas development approvals to the Oil and Gas Commission in the Peace Region, additional reductions will be achieved. Both reductions will be realized during 2003/04. With these completed the Commission will meet or exceed the target of a 66% reduction in regulatory requirements by 2004/05.

Report on Resources

2002/03 Resource Summary

	Estimated ¹	Other Authorizations ²	Total	Actual	Variance
Operating Expenses (\$000)					
Total	2,931	—	2,931	2,931	—
Full-time Equivalents (FTEs)					
Total	29	—	29	25	4
Capital Expenditures (CRF) (\$000)					
Total	60	—	60	9	51

¹ 'Estimated' corresponds to the Estimates as presented to the Legislative Assembly on February 19, 2002.

² 'Other Authorizations' include Supplementary Estimates, Statutory Appropriations and Contingencies.

The Commission started the year with 29 employees (FTEs) and, due to resignations and staff layoffs throughout the year under the workforce adjustment program, ended the fiscal year with 23 staff (FTEs), in line with the 2003/04 budget and plan. There were few capital expenditures for the year.

The Commission is on track to achieve its budgetary and staff reductions for 2004/05.

Annual Service Plan Report Appendices

Appendix 1: Summary of ALR Area by Region, Exclusions and Inclusions — April 1, 2002 – March 31, 2003

Region	Area as of April 1, 2002	Inclusions 2002-03	Exclusions 2002-03	Area as of March 31, 2003
Island	103,714.9	3.2	326.9	103,391.2
Okanagan	228,090.3	454.5	1,161.9 ¹	227,382.9
South Coast	176,914.5	7.0	49.1	176,872.4
Kootenay	384,979.9	66.8	181.9	384,864.8
Interior	1,494,174.8	205.7	120.3	1,494,260.2
North	2,365,928.6	235.8	82.4	2,366,082.0
Total	4,753,803.0	973.0	1,922.5	4,752,853.5

¹ Includes a single large area (1102 ha.) excluded from the ALR, due to poor agricultural capability, in the Anarchist Mountain area of the South Okanagan.

All figures are in hectares and are provisional. ALR areas are subject to change, and are not directly comparable, year to year, as digital mapping of the ALR is not completed but is underway for the outstanding areas (35%) of the province.

Appendix 2: List of Local Government and Commission Meetings 2002 – 2003

Total number of meetings with local governments is 58 for 2002/03

SOUTH COASTAL REGION	VANCOUVER ISLAND REGION
City of Abbotsford	District of Central Saanich
Bowen Island Municipality	District of Campbell River
City of Chilliwack	Comox-Strathcona Regional District
Fraser Valley Regional District	Denman Island Trustees
Town of Gibsons	Cowichan Valley Regional District
District of Kent	District of Sooke
District of Pitt Meadows	Nanaimo Regional District
Squamish-Lillooet Regional District	City of Port Alberni
Sunshine Coast Regional District	Alberni-Clayoquot Regional District
Township of Langley	District of North Cowichan
District of Sechelt	Islands Trust Council
NORTH REGION	OKANAGAN REGION
Bulkley-Nechako Regional District	Regional District of Columbia Shuswap
Peace River Regional District	Central Okanagan Regional District (and Agricultural Advisory Committee)
Fraser-Fort George Regional District	Regional District of Okanagan-Similkameen (and Area D Directors)
Kitimat-Stikine Regional District	City of Kelowna
District of Chetwynd	City of Vernon
District of Hudson's Hope	City of Armstrong
Village of McBride	City of Penticton
District of Taylor	City of Revelstoke
District of Vanderhoof	Town of Oliver
	Town of Osoyoos
	Village of Keremeos
	District of Salmon Arm
	District of Coldstream
	District of Lake Country
	District of Sicamous

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KOOTENAY REGION	INTERIOR REGION
East Kootenay Regional District Central Kootenay Regional District Kootenay-Boundary Regional District Town of Creston	Cariboo Regional District (and Advisory Planning Committee) Thompson-Nicola Regional District Central Coast Regional District City of Kamloops City of Merritt City of Quesnel City of Williams Lake (public meeting)

