

SUPPORT A PROSPEROUS, SUSTAINABLE AND INNOVATIVE TREE FRUIT SECTOR IN BC

ISSUE

Appropriately administered provincial support for the tree fruit sector is key to continued growth of the sector. The Agriculture Census of 2016 shows the family-owned tree fruit farms in BC generate income of \$118.6 million per year; a packed value of \$218.8 million; and total economic activity annually of \$776.6 million.¹

However, erosion of support, or an early end to support such as the Replant program funded by the province threatens the ongoing health and growth of the industry. Previous governments increased funding of the Replant program from \$8.5 million to \$9.5 million over seven years until 2021. About 25% of the required investment for growers in a replant program needs to come from government.

Canada is the fifth largest agricultural commodity exporter.² BC's tree fruit industry is a key part of this agri-food sector which nationally employs 250,000 Canadians, part of food and beverage manufacturing shipments worth just over \$112 billion in 2018.³

BACKGROUND

The Province earlier agreed to increase the Replant Program by an additional \$5 million until 2021. ~~There is not yet an indication of whether or not this funding will be honoured.~~ The replant grant for soft fruit increased to \$5.50 for the 2019 Replant Program. Additionally, the administration of the program is currently split between governments and associations. The program ran smoothly when administered by associations only, and it is likely that a return to local administration would save time, money, and better represent the needs of growers. In fact, if all agricultural programs administration were moved to associations, similar efficiencies could be recognized, according to the British Columbia Fruit Growers' Association.⁴ The Replant Program wait list is now funded by the Tree Fruit Competitiveness Fund.

The Select Standing Committee on Finance and Government Services recommended an extension of the Tree Replant program after their September 2018 hearings in Kelowna, \$4 million to 2025.

The BC Fruit Growers Association (BCFGA) supports the BC Government School Fruit and Vegetable Nutrition Program. This program aims at reducing health care costs. As a matter of fact, an August 2009 report by the McGill World Platform for Health and Economic Convergence, entitled "Building Convergence, Toward an Integrated Health and Agri-Food Strategy for Canada"⁵, notes the importance of improved nutrition to reducing health care costs.

¹ <https://www.statcan.gc.ca/eng/ca2016>

² Food and Consumer Products of Canada, Industry Sustainability & Competitiveness Study, https://www.fcpc.ca/Portals/0/Userfiles/PAResources/Public%202019/FCPC%20Industry%20Sustainability%20Study_v1.pdf?ver=2019-04-23-121158-917×tamp=1556036554242

³ Agri-food Economy Strategy Table, The Innovation and Competitiveness Imperative: Seizing Opportunities for Growth, September 2018, [https://www.ic.gc.ca/eic/site/098.nsf/vwapj/ISED_C_Agri-Food_E.pdf/\\$file/ISED_C_Agri-Food_E.pdf](https://www.ic.gc.ca/eic/site/098.nsf/vwapj/ISED_C_Agri-Food_E.pdf/$file/ISED_C_Agri-Food_E.pdf)

⁴ *Presentation to the Select Standing Committee on Finance & Government Services, October 13, 2019.* <https://www.bcfga.com/files/SSC%20Finance%20%20September%2026,%202018.pdf>

⁵ https://www.ivey.uwo.ca/cmsmedia/3779216/buildingconvergence_summary.pdf

The School Fruit and Vegetable Nutrition Program is also a key investment for the Ministry of Health. During provincial budgetary challenges, the Ministry of Health might be tempted to reduce its investment in this program. However, doing so would simply increase long term health care costs due to an increased level of poor nutritional choices of the public. The BCFGAs works with the Minister of Agriculture to advocate for ongoing support for the School Fruit and Vegetable Nutrition Program that seeks to introduce impressionable youth to healthy eating choices.

The ongoing lack of negotiations of the Columbia River Treaty is impacting agriculture⁶ on both sides of the BC/Washington border. Late summer water flows need regulating, especially in light of 2017-2018 flooding. Restarting negotiations and including Indigenous parties at the table was announced in April 2019 by Chrystia Freeland, Minister of Foreign Affairs.⁷

RECOMMENDATIONS

That the Provincial Government:

1. Extend the long-term replant program indefinitely.
2. Continue provincial support of the School Fruit and Vegetable Nutritional Program to create healthy eating habits and save health care costs, while assisting the financial sustainability of the industry.
3. Allow administration of agricultural programs by local associations with funding residing in the BC Investment Agriculture Foundation, rather than being jobbed out to individual remote companies
4. Stop duplicating Temporary Foreign Workers database segments already handled by the federal government.
5. Re-start Columbia River Treaty review with Washington State and Indigenous peoples in the affected corridor/s.

Submitted by the Kelowna Chamber of Commerce; supported by the Greater Vernon Chamber of Commerce, the Greater Westside Board of Trade, the Peachland Chamber of Commerce, the Summerland Chamber of Commerce and the Penticton & Wine Country Chamber of Commerce.

⁶ "Columbia River Treaty renegotiation will impact Okanagan: Proposing changes to negative environment consequences of original treaty" Barry Gerding, Black Press, Jun. 29, 2018

<https://www.trailtimes.ca/news/columbia-river-treaty-renegotiation-will-impact-okanagan/>

⁷ Federal government announces Columbia River Basin Indigenous Nations to participate as observers in Columbia River Treaty negotiations <https://www.canada.ca/en/global-affairs/news/2019/04/federal-government-announces-columbia-river-basin-indigenous-nations-to-participate-as-observers-in-columbia-river-treaty-negotiations.html>