BC Fruit Growers’ Association
2017 Annual Convention Portfolio

BCFGA 128th Annual Convention
Penticton Lakeside Resort
February 2-3, 2017

Rejuvenation
The BC Fruit Growers’ Association

Our Vision

A Prosperous, Sustainable, Innovative Tree Fruit Sector in BC that grows products that improve health.

Our Mission

The BCFGA will ensure a prosperous, financially sustainable and innovative industry through:

★ Representing Growers on Trade, Tax, and Regulations at the Regional, Provincial and Federal Levels of Government

★ Delivering and Developing Programs that Provide a Benefit for the Tree Fruit Industry

★ Promoting Horticultural Knowledge

★ Participating in the Design of Risk Management Programs

★ Supporting Research and Development in the Tree Fruit Sector

★ Establishing Direction for Environmental Farm Plan, Food Safety and Social License Programs.

★ Developing Area-Wide Programs to Protect Trees and Crops from Pests

★ Promoting Marketplace Adaptation through the Adoption of New Varieties of Tree Fruit and New Horticultural Practices

★ Alliances with Other Commodity Organizations

________________________________________________________

Notice of Meeting
BCFGA Annual Convention

Time and Date
Day 1  1 - 5 pm, Thursday, February 2, 2017
Day 2  9 am - 4 pm, Friday, February 3, 2017.

Place
Penticton Lakeside Resort, Penticton, BC
AGENDA

THURSDAY, February 2, 2017

<table>
<thead>
<tr>
<th>Time</th>
<th>Agenda Item</th>
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<tbody>
<tr>
<td></td>
<td><strong>Business session</strong></td>
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<tr>
<td>1:00 pm</td>
<td>Opening - Welcome from Penticton Mayor Andrew Jakubeit</td>
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<tr>
<td></td>
<td>Credentials, Agenda and meeting guidelines, Minutes</td>
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<tr>
<td>1:15 pm</td>
<td>BCFGA Companies - Summerland Varieties Corporation, BCFGA R&amp;D Orchard</td>
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<tr>
<td>1:45 pm</td>
<td>Financial Statements and General Manager’s Report</td>
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<tr>
<td>2:00 pm</td>
<td>Canadian Federation of Agriculture, BC Agriculture Council Updates</td>
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<td></td>
<td>“Social License”</td>
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<tr>
<td>2:30 pm</td>
<td>Canadian Horticultural Council Update - Rebecca Lee, Executive Director *</td>
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<tr>
<td>3:00 pm</td>
<td>Break</td>
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<tr>
<td>3:30 pm</td>
<td>Crop Protection, SIR</td>
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<tr>
<td>4:30 pm</td>
<td>Member Services, Public Relations, and Member Input on By-laws.</td>
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<tr>
<td>5:00 pm</td>
<td>Adjourn to Friday</td>
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Reception

6:00 – 8:00 pm Social and Awards

FRIDAY, February 3, 2017

Policy Session

<table>
<thead>
<tr>
<th>Time</th>
<th>Agenda Item</th>
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<tr>
<td>9:00 am</td>
<td>Reconvene, Credentials, Executive Report</td>
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<tr>
<td>9:30 am</td>
<td>Agricultural Land Commission Update. Frank Leonard, Chair and Kim Grout, CEO</td>
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<tr>
<td>10:00 am</td>
<td>Hon. John Horgan, Leader of the Opposition, BC *</td>
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<td>10:30 am</td>
<td>Break, deadline for late resolutions is 11:00 am</td>
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<td>11:00 am</td>
<td>Stan Swales, CEO, BC Tree Fruit Cooperative</td>
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<tr>
<td>11:15 am</td>
<td>Hon. Norm Letnick, Minister of Agriculture</td>
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<tr>
<td>11:45 am</td>
<td>Welcome: Richard Cannings, MP, South Okanagan-West Kootenay</td>
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<td>Noon</td>
<td>Luncheon - soup and sandwich</td>
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<tr>
<td>1:00 pm</td>
<td>Environment and Food Safety, Water Sustainability Act</td>
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<td>1:30 pm</td>
<td>Deadline to register for voting</td>
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<tr>
<td>2:00 pm</td>
<td>Elections: Procedure, Candidate presentations, Balloting</td>
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<td>Deferred and Late Resolutions.</td>
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<tr>
<td>4:00 pm</td>
<td>Concluding Remarks. Adjourn.</td>
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* denotes invited speakers, but not yet confirmed.

An updated agenda and all reports will be available at [www.bcfga.com](http://www.bcfga.com) after January 15, 2017
The priorities for the year are set by the members at large. The Executive listened to the views of members and itemized where resources should concentrate our time and efforts. It wasn't as easy as one might think as we had a variety of ideas to work from.

For some, the main focus was on wildlife damage, for others, a cherry insurance program to better serve the needs of producers, labour was a major issue for many and the industry rejuvenation, or as we have always described it, ‘bare ground’ planting.

One of the first items that the BCFGA worked on during the year was the Cherry Production Insurance Program. The BCFGA and the BC Cherry Association nominate members to the province’s Cherry Production Insurance Advisory Committee. The group met to work through some of the details, and later in the year a special joint meeting of the Cherry Production Insurance Advisory Committee and the BCFGA Executive and some BCCA producer members to find common ground for the different regions and types of cherry production insurance. We understand the Government is considering our recommendations with changes to the cherry program for implementation in 2018, or later. There will be two cherry programs - the existing program and a new ‘yield-to-count’ program. The Production Insurance Branch will be providing growers with the details of the programs, and the BCFGA will continue to seek improvements through communication with the advisory committee and the branch.

There were other developments in production insurance though, already in effect – for example wind damage goes from a quantity compensation package to quality compensation in 2017.

If we are going to transition from sustainability to profitability there must be a substantial change in how we address the industry itself. With that in mind we set out to make a ‘bare ground’ planting program a reality.

We must work with the BC Tree Fruit Cooperative and private packers to advance our exports and niche market high value products. What steps are required?

1. We must secure financing that is affordable.
2. To present a plan that governments have confidence in.
3. We must ensure that once we have product to market that we have the infrastructure to support it.
4. We must work with the packers and growers to ensure we all understand what needs to be done to ensure success.

At the time of this writing, I have made contact with Jeet Dukhia, President of BC Tree Fruits Cooperative, to ensure that together we might open a dialogue to address the concerns and cooperate together to get the things we need to enhance our industry. There seems to be a meeting of minds on the need for a ‘bare ground’ program coupled with a program for infrastructure to handle the new production.

In support of these needs, and recognizing that such a program must be national in its scope to gain federal support, the BCFGA has worked with the other apple associations in Ontario,
Quebec, Nova Scotia, New Brunswick and even Prince Edward Island, under the umbrella of the Canadian Horticulture Council to develop a National Program to create a Tree Fruit Rejuvenation Program. In other words, it is no longer a BCFGA proposal, but a national CHC proposal - with the BCFGA providing active support to get the proposal adopted. The current CHC proposal is a partnership with the Federal Government that would see a loan program without payment or interest for the first five years, so farmers are not burdened with a cash flow hurdle to grow their businesses. We are asking that when payments begin, the government forgive the first five years of interest, this would assist growers with 5 years of interest payments on their total replant investment – I will let you do the math, but with an increase in interest rates, the benefit gets larger.

All apple-producing provinces are in favour of the project; a fete in itself is this unanimous approval. The project also has provision for a companion infrastructure component, and we are working with the BC Tree Fruit Cooperative and others to ensure their priorities are included in this potential program.

In my travels during the coming year one topic is always discussed at a priority level - Labour. We have strived to improve the Seasonal Agricultural Worker Program (SAWP) and ensure its ongoing success. We have a program that supports the orientation and safety training of local (domestic) workers, such as the Quebecois who come to the Okanagan to help harvest our cherries. We have participated at every level promoting our labour programs to governments and the public. We are truly fortunate to have a coordinator for these programs on our Executive, I speak of Pinder Dhaliwal your Vice President. Not only does he have my confidence, he has the confidence of industry leaders at the Provincial Level as Deputy Chair of the BC Agriculture Council’s Labour Committee. I am also proud to say Pinder is regarded as a leader nationally as well, The Canadian Horticulture Council made room to secure his input, by making him a co-chair at the National Level. He will feature his own report on Labour - again, thank you Pinder for the work you do on Labour.

The Seasonal Agriculture Worker Program celebrated fifty years of service to farmers this past year (born when the first Jamaican workers arrived on Ontario farms). We look forward to everyone doing their best to ensure it is a viable program for another fifty years.

Over the last decade, one issue that never goes away is the problems we face with wildlife in our orchards. There has been some progress but a lot more has to be done. First, there have been a couple of pilot projects in the Province. It should be mentioned we are dealing with urban wildlife problems. These animals are a threat to humans, they are a threat to motorists and even children and pets in urban areas.

One of the deer projects funded by the Ministry of Forests, Lands and Natural Resource Operations was re-location. According to some, the creatures were moved more than fifty kilometres away and they still returned to the original site. Other pilot projects invited hunters and a pilot cull was undertaken. Looking at the options before us, I have come to the conclusion a cull is required. The risks to human safety, the overcrowding of these animals in an urban setting and the damage they do to crops is significant. The time has come to be realistic about the future of wildlife and urban deer populations.

Several other activities required our attention this past year.

- We sponsored all candidate election forums in cooperation with the Chambers of Commerce in order to enhance the Agricultural profile.
- We participated in the discussions surrounding the Columbia River Treaty as we continue to explore avenues of interest to the Tree Fruit Industry.
We engaged in discussion with Creston and Kootenay Members about growing the tree fruit industry in the eastern part of the Province. We are seeking assistance for our Kootenay growers through access to funds within the Columbia Basin Trust.

We had some progress in terms of Replant Funding.

With the Replant Program, after two years of heavy demand for funding, both Minister Norm Letnick and I came to the conclusion we had a program that is “too successful”. After year one we cooperated with additional funding to ensure eligible applicants were funded. We did this in cooperation with the Ministry and Summerland Varieties. This past year the demand was such that Minister Letnick stepped up to the plate with an additional one million dollars for the program.

On the operational side, Summerland Varieties Corp has experienced a management change and Frank Kappel who had stepped into the position on an interim basis recently retired. The company thrived under Frank’s exceptional leadership, and I thank him for his steady hand at the rudder. The BCFGA allowed the Board to manage their situation and we provided assistance or advice when required.

We continue to consult with stakeholders on a longer term strategic plan and with a new relationship developing in the industry we are closer than ever to achieving our goal. This is not about speed of getting agreement, it is about getting it right.

In the past year we have developed an approach we adopted in year two. The new media is Facebook and Linkedin using private messaging to create a new avenue of communication. This includes opening contact with Municipal, Provincial and our new Federal member of parliament. In addition, we have opened dialogue with others at the deputy minister level and other officials. We have an increased presence at the Canadian Horticulture Council level as I am a member of the Board of Directors. We also have a Board presence at the BC Agriculture Council for the last number of years.

In addition to the news outlets, we have enjoyed a special place in the pages of our trade magazines such as the BC Fruit Grower and Orchard and Vine, as well as The Grower, an Ontario publication.

We maintain a strong media presence at all levels in the Canadian Mosaic. We have been able to tell our story at the local, Provincial, and National level, promoting our industry and our product in everything from “Bare Ground” to participating in the promotion of apple consumption at the Agribition in Regina. And let me say a special thank you to Tahir Raza of Vernon for being such a good sport and such a positive advocate for Ambrosia apples during the November 2016 Agribition.

One experiment we engaged in was a renewed presence in assistance to growers with individual problems. These activities took place in the North in the Coldstream/Vernon area, in Keremeos, Oliver and Kelowna. I do believe working in on the ground situations has merit. Priorities, as we call them, are subjective in the long run because to me every issue is a priority to someone.

I see all growers large and small have knowledge and talents that add up to a common goal for all. When we seek solutions for common problems we are truly building the framework of the industry we share.

In closing, I would like to thank my colleagues on the Executive. We sometimes came from different visions, but in the end we worked for one common goal - to provide the best service we could for YOU the grower.

Respectfully submitted,
Report to the 2017 BCFGA Convention
from the
BCFGA General Manager

The growing season has started early and ended early for the past two years - this speeds up
the season and it seems that there is a new way of farming emerging to cope with climate
change. The BCFGA also seems to have ‘switched gears’, as there is greater activity. The two
areas of focus that come to mind are labour and invasive insects - there is constant need to
attend the many meetings, activities, and projects that arise out of labour and crop
protection issues.

Other items are part of regular work, and also require a significant effort:

- The Replant Program
- Communications through our Friday File

Both of these services are maturing, as they were new initiatives in the past year or two. We
are now settled into our new office at 880 Vaughan Avenue, in the North End of Kelowna.
The office is in the old BC Fruit Packers Cooperative site.

New activities for the coming year will include:

- Supporting agriculture and chamber of commerce candidates forums leading up to
  the May 9 Provincial Election.
- Supporting the proposal for a national Tree Fruit Rejuvenation Program.
- Provincial regulatory proposals have slowed down as we near the election, but I
  anticipate these initiatives will be launched again after the election.

Some activities are important to continue if BCFGA is to maintain its presence and to
support growers needs:

- Though we were again unable to conduct our usual annual municipal updates this
  year, it is doubly (or triply) important to make progress on outreach to municipalities.
- We have continued our usual annual presentation to the Select Standing Committee
  on Finance and Government Services (the provincial budget review committee).
- We were able to launch a three year Apple Clearwing Moth investigation project.
- We were able to carry out our public relations program, attending the Interior
  Provincial Exhibition and Salmon Arm Apple Festival, though we were forced to drop
  the Apple Triathlon participation this year.

Staff and BCFGA Programs
The staff of the BCFGA continue to support grower needs. Brenda Zarr, Member Services
Coordinator, is currently very busy completing the ‘intake’ of the 170 Replant applications
received for the 2017 program. Bunvir Nijjer, Corporate Secretary works 25% for BCFGA and
75% for Summerland Varieties Corp. Bunvir is receiving training as an Immigration
Consultant to enable BCFGA to improve its support of the Seasonal Agricultural Worker
Program. Sheila MacGregor, Accountant, primarily works for Summerland Varieties Corp,
but continues to be available for core BCFGA accounting needs. Ron Forrest is employed
seasonally and is responsible for the summer labour project and helped out at the Interior
Provincial Exhibition.

Services and Programs
This is the seventeenth year that the Convention Portfolio has been delivered to all BCFGA members, though starting last year it is in abbreviated form to respond to member concerns for economy in the use of BCFGA resources. The usual reports will be available online at www.bcfga.com in mid-January. The reports will also be available in printed form at the Annual Convention.

Programs are delivered either directly by BCFGA or indirectly through our subsidiary BCFGA Research and Development Orchard Ltd., as follows:

- Pesticide-Applicators Recertification Program.
- Tree Fruit Production Guide spray schedules and TFPG online (www.bctfpg.com).
- Assistance in completing Seasonal Agriculture Worker Program applications.
- BCFGA Farm Labour Orientation and Safety Program.
- Export Inspection Coordination.

We employ contractors on a temporary basis as well.

Mike Read and Sera Lean are contract Replant Program inspectors. They are dedicated to doing a thorough and accurate job, and their work is appreciated. Also during the year, we employ student research assistants on various industry research projects, with salaries fully recovered from the project funding. We retain Hugh Philip to do contract work on Crop Protection tasks. Hugh is a great asset and the Crop Protection work is progressing due to his expertise and initiative. As you can see, we engage many people in our operations to bring value to our members. The contributions of all of our staff and contractors is truly appreciated.

Support for Other Organizations
The BCFGA continues to provide administrative support for the BCAC Interior Horticulture Sector, and we assisted Summerland Varieties Corp with another search process for a new General Manager, as Frank Kappel retired once again! We welcome Sean Beirnes as the new SVC General Manager and everyone is excited to be working with Sean in the variety development that is so important to grower success.

Financial
The financial picture for the association is balanced for the 2016 year. We are focusing on adding new programs and sources of income as well as reducing expenses to keep our financial situation balanced.

Both BCFGA companies are helping the BCFGA by:

- taking on projects normally done at BCFGA (i.e. the BCFGA R&D Orchard Ltd. conducts labour, Apple Clearwing Moth and other projects).
- Funding projects conducted by the BCFGA (i.e. SVC funds many BCFGA projects).
- Sharing some of our staff (SVC again, and R&D Orchard helps with overhead).
- Making direct contributions to advertising at BCFGA events – thank you to SVC for sponsoring the prizes at the Convention.

The Okanagan Tree Fruit Cooperative continues to be a key supporter of BCFGA activities, as this is the tenth year that all co-op members will be BCFGA members. This support strengthens the BCFGA and allows us to focus on providing value to members.

Conclusion
The year 2016 was more intense in many ways. We were able to continue most of our activities and add some new activities that we hope will add value to the industry for years to come.

At your service,
2017 Resolutions
The resolutions will be prepared for the January 9-10 district Council meetings and distributed to members via the “Friday File” BCFGA newsletter.

BC Fruit Growers’ Association
Delegates and Alternate Delegates 2017

North                      South
Delegates
Tarsem Goraya             Delegates
David Doberneigg          David Machial
Amarjit Lalli             Parm Dhaliwal
Santokh Bhatia           Denise MacDonald
Jora Dhaliwal             Doug Nield
Asif Mohammed             Rajinder Brar
Jeet Dukhia               Mehar Khaira
Joginder Dhand

Alternates
Gary Schnierer
Parvinder Uppal

Nominations for the 2017 BCFGA Executive
(recorded in alphabetical order)

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<tr>
<th>Position</th>
<th>Nominations from the Northern Region</th>
<th>Nominations from the Southern Region</th>
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<tr>
<td>President</td>
<td>Jeet Dukhia</td>
<td>Fred Steele</td>
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<td>Fred Steele</td>
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<tr>
<td>Vice-President</td>
<td>Pinder Dhaliwal</td>
<td>Pinder Dhaliwal</td>
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<td>3 Northern Executive to be</td>
<td>Karmjit Gill</td>
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<tr>
<td>elected</td>
<td>Sukhdev Goraya</td>
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<td>Surjit Nagra</td>
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<td>Tony Nijjar</td>
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<td>3 Southern Executive to be</td>
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<tr>
<td>elected</td>
<td></td>
<td>Ravinder Bains</td>
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<td></td>
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<td>Sukhdeep Brar</td>
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<td>Peter Simonsen</td>
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BCFGA Staff:
Glen Lucas                      General Manager
Brenda Jorde                    Member Services Coordinator
The SVC Board is pleased to introduce the new General Manager of Summerland Varieties Corp, Sean Beirnes, who is starting December 19, 2016. Sean has experience in Strategic Planning and Implementation, Operations Management, and Business Development from his management experience at Sun-Rype and at other manufacturing and consulting companies. Sean has a law degree and is well versed in contract and intellectual property law. Sean is a proud resident of the Okanagan Valley, who is excited by the unique SVC business model and inspired by the many ways SVC supports variety development and other important tree fruit research initiatives. We welcome Sean Beirnes as the new General Manager of SVC!

Summerland Varieties Corp (SVC) is a variety rights management company that licenses new varieties of tree fruits and berries domestically and internationally.

SVC represents both government and private plant breeders. On behalf of variety owners, SVC grants rights to growers and other third parties to propagate new varieties and produce and sell the fruit of such varieties. In return, the licensees pay licensing fees and royalties to SVC which SVC administers on behalf of the owners.

SVC also operates Canada’s only virus free budwood orchard at SuRDC, Summerland which supplies plant propagation material to nurseries, orchardists and commercial growers worldwide.