



Fred's Notes

December 15, 2014

First of all let me wish you all the best of the Holiday Season and a very Happy New Year.

The Replant Program became a reality with several months of negotiating a long term sustainable program. The length of the program is Seven Years and worth 8.4 million dollars.

The program will begin in 2015 and application forms will be available January 15th- check our website or call the office to request a copy be mailed to you.

The replant program does not address the issue of bare land applications. We are looking to different programs to cover that. Once the Industry Strategy is complete we will be engaging Federal Government Departments with a plan to address that issue.

We are also cooperating with government on a tree fruit varieties study. The province wants to provide the newest variety information to growers, with a focus on the competitive situation in the apple and cherry sectors. The Provincial Government is paying 100% of the cost of this study, which includes the expert advice of world renowned tree fruit economist Desmond O'Rourke. The variety study is in addition to the Replant Program.

Meetings are continuing to put together a new Industry Strategy that outlines the blueprint as to where we are going in the future. The Industry Strategy will also signal to government what our priorities are and how government (provincial and federal) can partner with us.

Crop Insurance is also a priority and we have an upcoming meeting of the Cherry Production Insurance Sub-Committee to address concerns of growers. I am also seeking to have a meeting of the Tree Fruit Production Insurance Advisory Committee in the near future to discuss the upcoming season.

We are keeping a very close eye on what is happening with apple prices south of the border. We are working with the other apple producing provinces and the Canadian Horticulture Council to monitor the situation and make advance plans, including a possible review of an anti-dumping case by a trade lawyer. We maintain contact with the co-operative and the private BC packers regarding pricing. If there is a negative impact on growers we will initiate a trade action as promised.

To date apple prices have not collapsed due to sales pressure from Washington State, which has a record-setting crop in 2014. The lower value of the Canadian dollar may be helping us keep our prices stable, compared to Washington State. Also, the momentum of the Buy Local program is helping consumers choose BC over other products – and Minister Norm Letnick has just announced a \$2 million extension of the Buy Local program announced on December 13.

We have a plan and we are prepared in the event of a price decline in the New Year. We will respond to protect farmer's interests.

We are also participating in research priority meetings. Vice-President Pinder Dhaliwal did a great job introducing and summarizing an Apple Regional Research Users Meeting (Apple RRUM). BC and the other apple producing provinces have always been ahead of the curve with a proactive attitude to doing our homework on research. Every research dollar we can secure through government funding is a dollar saved that does not come out of growers pockets. We stress research that pays back many times the investment, such as storage technology and horticulture practices research.

The Columbia River Treaty discussions have added new articles to be discussed as the talks go forward. More and more issues such as fish habitat, new flood control procedures and irrigation play a more prominent role. The future timetable may well change the irrigation enhancements for American Growers and power companies as the flood control program could see major changes in 10 year's time, unless the US comes to the table with practical approaches that recognize the benefits to the US and the impact on Canadian producers from the Columbia River Treaty.

The New Year promises to be one of hope and challenge in 2015, and your Executive is looking forward to a year of progress and achievement for the industry. As I see it the Replant Program is significant as it is the foundation of an ambitious program that can make us profitable and progressive.

We have an opportunity to assemble the building blocks to forge a profitable industry we can all be proud of. This is about seizing the moment and being part of what I call, Progress In Motion.

As your President on behalf of the Executive and Staff at the BCFGA I wish you all the best of the Season and a very Happy New Year.

A handwritten signature in cursive script that reads "Fred Steele".

Fred Steele
President BCFGA