

**Columbia Treaty Review
Draft BC Recommendation – October 18, 2013
Draft Public Consultation Report - Fall 2013**

**Submission
The British Columbia Fruit Growers' Association and
BC Potato and Vegetable Growers' Association**

November 5, 2013

Problem:

- While the primary objectives of the Columbia River Treaty when signed in 1964 were to provide flood control along the Columbia River system and to create power generation opportunities, the experience gained over the past 5 decades has resulted in a range of costs and benefits and has identified unintended impacts beyond the original objectives and beyond those felt within the Canadian portion of the Columbia River Basin that must be addressed in the decision making process regarding the continuation, amendment or termination of the Treaty.

Issue:

- Washington State and Oregon State agriculture industries have realized significant benefits from the increased availability of water for irrigation which has had a negative impact on the competitiveness of some important agriculture sectors in British Columbia, namely tree fruits, potatoes and vegetables.

Desired Outcome:

- Any amendment of the CRT and the Canadian Entitlement under the CRT extending the range of benefits from simply the value of power generation to include the value of the water supply for irrigated agriculture production in the United States portion of the Columbia River Basin.

Background:

- The Columbia River Treaty Review Draft Public Consultation Report - Fall 2013 has identified a few agriculture issues and concerns based on Stakeholder input.
- The Draft Public Consultation Report has failed to report on the broader issue raised by The British Columbia Fruit Growers Association that the farming interests in the United States have capitalized on the availability of the water in the Columbia River system and the power generating capacity to provide subsidized irrigation water supply.
- Tree fruit production
 - The Washington State tree fruit industry has been enabled to double in size as a result of water from the Columbia River system
 - In 1964, there was 141,377 acres of tree fruit production
 - By 2007, there was 299,174 acres of tree fruit production
 - In contrast the BC tree fruit industry has diminished in size:
 - In 1961, there was 37,193 acres of tree fruit production (26.3% of Washington State)
 - By 2006, there was only 18,798 acres of tree fruit production (6.3% of Washington State)
- Potato Production
 - The Washington State potato industry has also seen growth:
 - In 1964, there was 36,788 acres of potato production
 - By 2007, there was 157,499 acres of potato production
 - In contrast the BC tree fruit industry has diminished in size:
 - In 1961, there was 12,291 acres of potato production (33.4% of Washington State)
 - By 2006, there was only 8,499 acres of potato production (5.4% of Washington State)
- Irrigated Land in Washington State
 - In 1964, there were 1,149,842 acres of farm land irrigated
 - By 2007, there were 1,735,917 acres of farm land irrigated
 - A 51% increase in the amount of farm land irrigated since the Columbia River Treaty was signed.

Discussion:

- The impacts of the CRT have been felt by the British Columbia agriculture industry over the past 5 decades:
 - Direct impact resulting in the loss of productive farms within the Canadian portion of the Columbia River Basin.
 - Indirect impact on the competitiveness of the tree fruit and vegetable industry outside of the Columbia River Basin.
- Further evidence of the impact of the growth in Washington State agriculture as a result of water availability for irrigation:
 - 10 separate cases of antidumping ruled in favour of Canadian producers with import duties put in place to protect against dumping:
 - Whole Potatoes, 1984, 1989, 1994, 1999, 2004, and 2009.
 - Fresh, Whole Yellow Onions, 1987, 1991.
 - Fresh, Whole, Delicious and Red Delicious Apples, 1989, 1994.
 - The federal and provincial government have not supported any antidumping cases on behalf of British Columbia farmers since the signing of free trade agreements with the US. The result has been:
 - The discontinuation of onion production on the coast.
 - The continued erosion of production of potatoes in British Columbia.
 - The loss of potato processing capacity.
- The United States has publicly placed priority on including irrigation flows in the CRT renewal with greater demands for July-September water flows to support in-stream demands (fisheries) and to support irrigation (existing and new) and aquifer recharge in support of irrigation.

Recommendation:

- Given the US priority for irrigation water, the British Columbia government must recognize this source of US demand in developing its policy principles and negotiating strategies.
- The British Columbia tree fruit and vegetable industry interests need to be recognized by the provincial government and greater commitment demonstrated through engaging and working with these agricultural sectors in developing the provincial policy interests and negotiating strategies for CRT Renewal.
- The British Columbia tree fruit and vegetable industries want to work collaboratively with the BC government in developing the documentation, arguments and positioning for the CRT renewal.
- The broadening of the British Columbia perspective will provide the basis for strengthening the Canadian entitlement from simply including the value of power generation, to the value of water for irrigation and other uses by US interests.