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Good afternoon,

The Ministry of Agriculture, Food and Fisheries ('the Ministry') has been a key supporter of the Tree Fruit industry over the past three decades, most notably through replant and industry competitiveness initiatives, among many other programs. The Ministry is keenly aware of the challenging circumstances facing apple producers and we are concerned about the future of the apple industry, due to multiple years of declining grower returns.

As an initial response to this concern, in August 2020, the Ministry and BC Tree Fruit Cooperative (BCTF) launched an initiative to re-establish BCTF's leadership principles and governance. Through this collaborative effort, BCTF has turned a new leaf with a modernized governance structure and is showing strong leadership from the Board of Directors and the CEO. We have just heard the encouraging news of the overall increase in the price per pound from ~\$0.13 in 2019, to ~\$0.21 in the first growers' advance of 2020. There is still work to do, however we are optimistic about the future of BCTF and inspired by the commitment shown by one of our major packing houses.

As was relayed by Tom Ethier, Deputy Minister, Ministry of Agriculture, Food and Fisheries to the BC Fruit Growers Association (BCFGA) Board on December 17, 2020, the Ministry is committed to working collaboratively with producers across the province to ensure the viability of agriculture.

With this commitment in mind, the Ministry is currently developing a workplan to execute on the following initiatives:

- Producer engagement sessions
- Development of a Tree Fruit Industry Stabilization Plan; and the establishment of a Tree Fruit Industry Stabilization Advisory Group
- A third-party review of the Tree Fruit Competitiveness Fund and Tree Fruit Replant Program and other current and past expenditures of public funds provided to the Tree Fruit Sector
- An analysis of the tree fruit industry's present situation, factors leading to it and its' future potential.
- Exploration of the retail pricing and marketing structure of B.C. grown apples.
- Determination of what current Ministry programming would support the advancement of the sector and provide producers the tools and skills they need now.

The Ministry is currently engaging third-party consultant(s) to provide leadership and objective oversight to ensure accountability and transparency in the process.

As industry stakeholders and partners, representing and working on behalf of B.C. fruit growers' interests, we look to you as key contributors to the work described above. We are counting on your participation and support.

I wish to restate that the Ministry is committed to the lasting competitiveness of B.C.'s Tree Fruit Industry. The important work I have outlined above will provide a roadmap for producers, enabling long-term sustainability through the creation of strategy, tools, resources and programming.

If you have any questions regarding this work, please feel free to reach out to Adrian Arts, Industry Specialist, Tree Fruit and Grape (Adrian.Arts@gov.bc.ca)

Sincerely,



Georgina Beyers
Director, Industry Development
Ministry of Agriculture, Food and Fisheries

Cc:

Pinder Dhaliwal, President, BC Fruit Growers Association
Peter Simonsen, Vice-President, BC Fruit Growers Association
Glen Lucas, Manager, BC Fruit Growers Association General
Sukpaul Bal, President, BC Cherry Association
Bruce Curry, Chair, New Tree Fruit Development Council
Sean Biernies, General Manager, Summerland Varieties Corporation
Melissa Tesche, General Manager, Sterile Insect Release Program
Steve Brown, President BC Tree Fruit Cooperative
Kathy Malone, Chair, BC Wine Grape Council
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