

BC Fruit Growers' Association

Presentation to

Hon. Mary McNeil

Minister of Children and Family Development



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Introduction

The BCFGAs appreciate the opportunity to meet to discuss the tree fruit sector, and today BC Agriculture Council (BCAC) is joining us to broaden our discussion to include all BC agriculture. The purpose of this brief is to provide an update on the agriculture sector, with a focus on apples, and to show the connection between agriculture and the Ministry of Children and Family Development.

The BCFGAs represent 758 tree fruit growers. Our mission is:

*Helping to create a healthy food system
for the long-term prosperity of the tree fruit industry*

The family-owned apple farms in BC produce about 250,000 bins of apples per year, or 600 million individual, food-safe, healthy, snack sized fruit for BC families and children.

Currently, the tree fruit industry is near the peak of the cherry harvest. BC is renowned for its 'late season' cherries, developed at Agriculture and Agri-Food Canada's Summerland Research Station.

The BC Agriculture Council represents approximately 14,000 farms and ranches through its member organizations such as the BCFGAs. These farm businesses are predominantly family owned and operated, though the size of operations is getting larger as economic pressures increase.

Farming is a \$2.5-billion industry in B.C., yet according to Statistics Canada, in 2010 the industry lost \$87 million. BC is the only province in Canada to have negative income last year, the worst performance in the country, according to reports – and this is the 5th consecutive year that BC has had negative net farm income. The deficient level of support for BC agriculture from programs and other initiatives undoubtedly has a lot to do with the poor performance of the sector compared to other provinces.

The tree fruit sector directly employs the equivalent of 1,500 person years at the growers, packer and processor level. The BC tree fruit industry is known worldwide for its innovation, investment in renewal, and advanced horticultural practices. The industry benefits the farm families that grow fruit, as well as the agricultural suppliers, research, and services in the local economy.

As an association, we work hard to foster a healthy food system for the long-term prosperity of the tree fruit industry. The BC Agriculture Council is our partner in improving the financial viability of the agriculture sector.

Current financial situation of the tree fruit sector

The reduction in apple industry income is \$14.4 million per year for the past 3 years, compared to the previous period. The annual average loss on direct cash expenses is \$19,000 per year per farm. This depression in returns is causing severe cash flow impact in the BC apple sector and impacts the viability of all agriculture in the Okanagan.

The BCFGGA appreciates your support for the current process to resolve the tree fruit industry's economic issues. The Minister of Agriculture, Hon. Don McRae has established a Working Group of industry stakeholders and government representatives to make recommendations on the future of the tree fruit industry.

In the larger context of BC Agriculture, we ask that you support a level of agriculture expenditure that places us on an equal and competitive basis with the other Canadian provinces. For the most recently reported statistics, BC expends 5.5% of Agriculture GDP (economic activity) in agriculture programs, the lowest in Canada. In other provinces, the average is 12%. We are looking to the province to make a statement on support for the agriculture sector, with renewed investment in programs.

Families and Children

The Government of British Columbia adopted the *B.C. Agriculture Plan: Growing a Healthy Future for B.C. Families* in 2008 – which was intended to be a long-term plan for the future of agriculture in B.C. Unfortunately, the initiatives outlined in the Plan that actually required a renewed investment have to date not been adequately funded. Specific agriculture-related programs for families and children, which are actually highlighted in the government Plan, include the following initiatives.

1. The School Fruit and Vegetable Nutrition Program

The basis of the program is to provide children in all grades with a BC-grown, fruit or vegetable snack, twice a week every other week. The snack is to be provided in-class and linked to an educational discussion related to the agricultural product.

The program provides nutrition education and encourages healthy, lifelong eating behaviour. Good nutritional habits are an important prerequisite to strengthening families. The program also will provide better health outcomes for the future, and reduce chronic health care costs, especially for type 2 diabetes.

The impact of the School Fruit and Vegetable Nutrition Program in first nations schools and families is potentially immense. To overcome the logistical and jurisdictional hurdles in providing this service to first nations schools, we feel the Ministry of Families and Children could play a lead role.

In the 2010 budget, rather than increasing the budget for the program (resources are provided mainly through the Ministry of Health), the program was cut. Fortunately, the funding was restored by the present leadership to its 2009 level. We appreciate the support of the current government for the School Fruit and Vegetable Nutrition Program. However, for program to achieve its goal of delivery to all BC schools, the level funding for the School Fruit and Vegetable Nutrition Program needs to be increased in future provincial budgets.

2. Promoting BC Grown

BC growers provide healthy, nutritious agriculture products. Previous 'Buy BC' programs helped to promote the consumption of fresh, nutritious food. Funding needs to be allocated to restore a promotion budget that was cut 10 years ago. Most other provinces have launched programs to support local agriculture products – BC is lagging in its response. The support will assist BC farm families to be more viable and economically sustainable, as demand for local products increases.

3. The Agriculture Budget

On a more general approach, the promotion of BC grown agricultural products strengthens BC agriculture families and local, rural economies. Rural economies are where the highest risk and vulnerable families are predominantly located. Strengthening these resource-based economies, through a rural BC dividend, has been discussed. But action is needed.

A general increase to the national average level of agriculture support would enable the BC Ministry of Agriculture to inject an additional \$110 million in programs and investment into the relevant rural areas of BC. It is well known that investments in agriculture result in a high benefit from local investment and job creation. The Ministry of Children and Families benefits by strengthening families in the areas of the province where families are most at risk. Your support for the BC Agriculture Budget, and its programs, is appreciated.

Summary

The BCFG and BCAC appreciate your support for the BC agriculture sector at this time of financial distress. Specifically, the support for the following initiatives is appreciated.

1. The Agriculture Minister's Tree Fruit Task Force.
2. The School Fruit and Vegetable Nutrition Apple Program – full funding for all schools including first nations.
3. Promotion of BC grown agriculture products.
4. A general re-thinking of a competitive level of agriculture program support.

We appreciate your time in meeting with us and your leadership role in strengthening BC families.