Honourable Pam Alexis,
Minister of Agriculture and Food

June 28, 2023

Hosted by Tarsem and Narinder Goraya, Goraya Family Farms

Presentation by the BC Fruit Growers' Association:
Peter Simonsen, President
Glen Lucas, P. Ag., General Manager

# The BC Tree Fruit Industry - Competitive Advantages

- Great growing climate for apples and late season cherries.
- Advanced horticulture practices high density.
- History of innovative programs and rapid adoption:
  - Sterile Insect Release Program.
  - Replant programs (higher adoption of new varieties than main competitor, Washington State).
  - Efficient irrigation (no more hand-move aluminum pipes).
- Advanced Science: federal Summerland Research Station.
- Motivated growers and association:
  - Early adopters of low pesticide, organic and EFP programs
- Apple and Cherry production account for 90% of farmgate revenue of \$165 million, and sustains 2,490 jobs, according to a 2021 study by Deloitte commissioned by the province.

### **Recent Challenges/Opportunities**

- Imbalance in market power this problem will be resolved through the current 'Quality Apple Alliance' (Commission) initiative we are working toward a grower vote in August.
- Climate change extremes include the heat dome of 2021, with continuing impact in 2022. Our growers tell us of significant shortfalls in the heat dome, similar to the grape sector's financial shortfall due to the winter freeze. Tree fruits being hardier, our sector was not affected as significantly by cold. However, grapes were not impacted by the heat dome. An assessment is underway to quantify the financial impact.
- Destructive internal competition a long term market strategy is being developed.
- Unfairness of parcel amalgamation in crop insurance. Though parcels are in different locations (risk classes), they are amalgamated making the deductible larger. When one parcel suffers damage, the larger deductible often makes a claim impossible, and thus unfair.









#### **Greater Future Success**

The BC economy is benefiting from apple and Cherries exports to high-value markets in Asia, including China, Japan, Taiwan, Vietnam, and South Korea.

- New opportunities for diversification are being explored by tree fruit growers, including cideries and agri-tourism.
- The BCFGA invests in research, bringing federal matching contributions to the region.
- The BCFGA played a key role in supporting the \$70 million plant virus lab in Sidney, BC.

### Why are We Here?

To provide thanks for several critically important initiatives:

- Supporting efforts to establish an Apple Marketing Commission: \$1 million in provincial food security funds allocated, as well as support for developing a plan and communicating it to the industry.
- 2. <u>Perennial Crop Renewal Program</u>. The \$15 million in funding is appreciated, though demand is much higher than expected. Perennial Crops are long term investments, and government programs need to reflect the need for *long-term stable funding* for Perennial Crop Renewal.
- 3. <u>Allowing access to data to demonstrate the need for a heat dome recovery funding</u>, on a fair basis similar to the requested grape growers' freeze recovery funding.
- 4. Considering industry's appeal to make Production Insurance fair by eliminating the unrealistic policy of amalgamating disparate parcels of land under one policy.
- 5. <u>To learn about the federal-provincial Sustainable Canadian Agricultural Policy programs</u>. What is anticipated and when will programs be launched?

# Summary

Thank you for the opportunity to showcase the BC tree fruit sector at Goraya Family Farms.

- Apple, cherries and other stone fruits have a bright future, based on innovative growers and a strong competitive position.
- We are expecting significant, imminent changes in marketing to counterbalance consolidated retailers' power and to resolve destructive internal competition.
- Fair treatment of heat dome damage supported by an independent assessment of financial impact of the 2021 heat dome.
- Fair and realistic policy on amalgamation of distinct parcels of land in Production Insurance.

We appreciate your support of the tree fruit and agriculture industries.







