

September
2005

Commission Report

BC Vegetable Marketing Commission Monthly Newsletter

Dumping Order
continued on
packaged russets
and whites

The CITT Decision on Potatoes Dumping Order Continues with Exemptions

The Canadian International Trade Tribunal released its decision on the Commission's request to continue the anti dumping order on potatoes imported from the US for a further 5 year period. The Order under review affected whole potatoes, excluding seed potatoes and excluding imports during the period from May 1 to July 31 inclusive, of each calendar year, imported from the United States of America, for use or consumption in the Province of British Columbia,

Officially the CITT decision said:

"The Canadian International Trade Tribunal hereby continues its order in respect of the above-mentioned products, with an amendment to exclude red potatoes, yellow potatoes and the exotic potato varieties, regardless of packaging, and white and russet potatoes imported in 50-lb. cartons in the following count sizes: 40, 50, 60, 70 and 80."

In making its decision the CITT observed that "U.S. potato growers, and Washington State potato growers in particular, would continue to target the B.C. market as aggressively in the future as they had

done in the past. The Tribunal was therefore of the view that U.S. growers were likely to continue dumping in the B.C. market at margins of dumping that were significant."

"With respect to the issue of injury, the Tribunal was of the view that all B.C. growers were price takers and concluded that, if the order were rescinded, prices would fall substantially in order to meet the landed prices in British Columbia of U.S. potatoes. Accordingly, a rescission of the order would likely have caused injury even to larger growers that would have had no alternative but to lower their prices to meet U.S. import prices in order to maintain their market share.

The BC industry had not objected to the exclusion of red, yellow and exotic potatoes from the Order. The fact that the CITT also excluded 40 - 80 count russet and white potatoes was disappointing but these sizes had not attracted duty for the past four years in any event. Although we are disappointed that we did not achieve all that we had sought, we are not disappointed with the CITT decision.

Greenhouse Industry Regulation

As part of the “Needs Assessment” and reinforced by a request by some greenhouse producers, the Commission will conduct a review of the regulatory structure in the greenhouse industry at the conclusion of the current quota and transfer process. The scope of the review will focus on production controls and the agency system in the greenhouse sector. Following industry consultation a producer vote may be held on the options available.

District Boundaries

The Provincial Government’s 2004 amendments to the BC Vegetable Marketing Scheme eliminated all references to “Districts”. Prior to the amendments the Scheme described three Districts; mandated that “registers” of producers be maintained by District and; mandated that elections for Commission members be conducted by District. The elimination of “Districts” in the Scheme means that decisions respecting “Districts” if any, are now within the purview of the Commission.

Given the change the Commission believes it is now appropriate to engage in industry consultations to

discuss the benefits and costs of continuing, discontinuing or varying the application of District boundaries.

Changing or eliminating district boundaries would likely impact storage crops more than greenhouse vegetable crops given the demographics of the greenhouse industry.

The Commission intends to circulate a discussion paper to the industry identifying some options and some pro’s and con’s to possible changes and follow that up with a series of meetings with producers, before making any decisions.

Commission Strategic Planning

The Commission’s vision for the BC vegetable industry and the blueprint of the required programs and services has been completed. Highlighting the vision is a focus on the market and maximizing economic opportunities for BC vegetable growers. Implementation will follow circulation of the strategic plan to the industry.

The Search for the new BCVMC General Manager

The search committee charged with finding suitable candidates to be the new BCVMC General Manager has almost completed its work. The Committee expects to present final

candidates to the Sept 23 2005 Commission meeting with a new General Manager selected before the end of September.

Time to look at all aspects of greenhouse industry reg’s

Do District boundaries work for us or hinder us?

Strategic Plan completed – time for action

New GM to be appointed in late September