

May
2006

Commission Report

BC Vegetable Marketing Commission Newsletter

Implementation
directive issued
by the FIRB –
Commission
process
underway

New program
can provide
planning advice
and financial
assistance

Greenhouse Regulatory Policy

The Farm Industry Review Board has issued a directive to the Commission to amend its General Orders respecting the greenhouse vegetable industry. The Commission must file draft amendments with the FIRB for its review by June 30, 2006. Given the range of options and opinions within the industry and the potential impacts of changes the Commission had previously invited the FIRB to take an active supervisory role in the process. FIRB's directive is in response to that invitation.

The directive focuses on the following changes:

- lift the moratorium on new agency applications;
- examine more streamlined and business-supportive processes for approving agency applications;
- re-classify producers currently exempt from shipping through an agency as "Producer-Shippers";
- provide greater freedom for producers to move between agencies based on commercial contract obligations;
- retain the authority to direct product but only use these powers in exceptional circumstances;
- provide that crop changes within a commodity (e.g. tomatoes) only require reporting not Commission approval;
- retain the requirement to obtain Commission approval to change between commodities (e.g. tomatoes to cucumbers) but remove time constraints and establish effective criteria to assess applications;
- remove timing restrictions and change the criteria for issuing new or additional production allocations (quota) to the ability to demonstrate a business plan; and
- remove the requirement for agency sponsorship of crop mix changes and new production area.

The Commission is also directed to report to the FIRB by January 31 2007 on additional measures it may be planning to make industry regulations more "market responsive".

The Commission is now preparing and reviewing General Order amendments to incorporate the directives.

Water Expansion Program

The National Water Supply Expansion Program is intended to help agricultural producers improve water supply systems. In BC, producers have access to technical and financial support for planning and

developing projects to strengthen sustainable water supplies.

More information is available at www.agr.gc.ca/h2o/.

Food Safety

The Commission continues to engage two qualified food safety advisors to assist producers in achieving acceptable food safety standards. Sheri Nielson will work with Storage Crop producers in District 1 and 2 and with “exempt” greenhouse producers in Districts 1 and 2 while Dave Ormrod will work with all producers in District 3 and all Processing Crop producers. Most greenhouse vegetable producers in District I are currently reviewed by Primus Labs.

Food Safety program continued – Advisors to visit producers this summer and fall

Farm visits in the storage Crop Sector will begin in August and continue through the fall. The greenhouse sector visits will begin in June and continue through August. Work with processing crop producers will be timed to crop maturities.

Storage crop producers will receive a copy of the new Food Safety Manual developed through the Canadian Horticultural Council. This manual is expected to be formally “recognized” by the Canadian Food Inspection Agency in the near future and should form the basis of a national uniform standard for Canadian producers. A Food Safety workshop is planned for later this year to help producers work through the manual and related check lists.

Advisors issue a report on each farm visit which is circulated to the producer and in most cases to the appropriate agency.

Processing Strawberry 2006 Contracts

Processing strawberry price increases 5.2%

For the first time since 2002 strawberry growers, in negotiations with processors, received an increase in their prices. The minimum contract price for strawberries for 2006 is 70½ ¢ per pound, up from 67¢ in the previous year.

1,300 in 2005. Given the declining tonnage and relatively flat prices the farm gate value of the crop has declined by 50% over the past five years.

Tonnages have dropped sharply since 2001 declining from 2,700 to less than

If these trends are to be reversed, producer prices will need to catch up to past cost increases and provide some incentive to growers to produce this crop.

Commission market reports issued for greenhouse crops and potatoes

Market Information Reports

The Commission will issue the first edition of the retail sales analysis of the potato market in the very near future. The report, including the first quarter of 2006, looks at trends by potato variety over the past three years and is based on AC Neilson Company data.

Weekly market reports on greenhouse crops are circulated to agencies and “exempt” producers. The reports track supply and current market prices throughout North America.