

Dear New Democratic Caucus...

(A Year-End Report Card and Some Advice for the New Year)
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Season's Greetings! As but one solitary (and studiously non-partisan) observer of your performance on agricultural issues, I believe your government has indicated some real potential.

(A few examples include the proposed Agricultural Enhancement Act and its strong right-to-farm support, improved coordination/cooperation between the agriculture ministry and other ministries/local governments, a solid ag-in-the-classroom program and increased emphasis on crown grazing priorities. The report distributed to delegates at December's BCFA annual meetings in Harrison *Developing An Agri-Food Policy for British Columbia — Policy Consultation Background Report* is wonderful; without a doubt the most intelligent document I have seen come out of the Ministry in over a decade.)

As you've probably heard, the B.C. Federation of Agriculture passed a resolution at their AGM that *the BCFA, in cooperation with Member Organizations and the Ministry of Agriculture, Fisheries and Food, take immediate steps to secure the agriculture industry's legitimate entitlement of compensation due the province of British Columbia as a result of the downstream benefits of the Columbia River Treaty.*

(The benefits referred to relate to the certainty of late summer-early fall irrigation water provided Washington State producers under the Treaty. The issue of compensation arises because this artificially enhances the market position of U.S. farmers and undermines the competitive position of B.C. agriculture.)

As a result of this resolution, BCFA Chair Jake Janzen wrote your colleague, the Honourable David Zirnhelt, asking him to make the government aware of the findings of a report on this subject commissioned by the Provincial Agricultural Land Commission¹ and to initiate a process to establish what has occurred and what has been done about it.

The report recommended that 6 percent of the recently-negotiated Columbia Treaty benefits — \$90 million dollars — be placed in a fund to facilitate the structural competitiveness of B.C. agriculture. The figure six percent was chosen because 6 percent of the water B.C. stores and releases under the Columbia Treaty is used for agricultural irrigation south of the border. Yearly interest on the initial capital base would be used to underwrite strategic initiatives (agreed upon and put forward by regional producer groups) to achieve competitiveness enhancing, non-trade distorting, GATT-consistent objectives which level the playing field for B.C. farmers.

As a copy of this report may or may not arrive in time for insertion in your Christmas stockings, the following is a quick update on how it supports your respective strategic priorities:

Moe: As Environment Minister, you are probably aware more than most that agriculture is already likely the best joint-management steward of high priority ecological interests and one of the best "keepers" of environmental priorities. Support for a fund which helps level the competitive playing field on a regional level will ensure farmers' ability to continue to support active partnership with your environmental priorities.

¹*Evaluation of the Effect of Downstream Benefits to Washington State Agriculture Under the Columbia Treaty on the Competitive Positioning of B.C. Producers*, W.R. Holm and Associates, December 5, 1994

Darlene: As MOMA (Minister of Municipal Affairs, a telling acronym?) you understand better than anyone the importance of agriculture to the fabric of regional communities. The beauty of the Competitiveness Fund is that it will act as a catalyst for producer groups, on a regional level, to sit down and develop consensus on structurally-related competitiveness initiatives.

Glen: Both the economic optics of endowing a Competitiveness Fund *and* the ethics behind the compensation claim are obvious. A much younger but no less passionate Bob Williams spoke eloquently of the interests absent from the negotiating table 30 years ago, when the original Treaty was signed. While agriculture was not part of the recent negotiations (your government was restricted to negotiation terms agreed to in the original Agreement and consequently was unable to raise additional issues), this does not extinguish agriculture's compensation rights.

John: As I understand it, one of the key strategies relating to the adjudication of First Nations issues is ensuring appropriate, ongoing levels of stewardship. Maintaining an economically viable, sustainable agricultural base is entirely consistent with those objectives.

Mike: The compensation figure recommended — \$90 million — is roughly equivalent to the return you would collect if you sold the DSB benefits for their current value (\$1.6 billion) and invested the money. As the key person responsible for quarterbacking the political interests of your party in the next election, you must agree that investing this money instead in the future competitiveness of B.C. agriculture and rural communities will return political interest far in excess of what the market could deliver.

On behalf of B.C.'s agriculture community, my very best wishes to all of you for a highly proactive and enlightened New Year!