

A Marketing Straightjacket

Economic Diversification and the Erosion of the Orchard Landscape

Urbanization increases the costs of farming usually faster than farm incomes rise and anticipated land sale prices become a strong inducement to farmers to sell their property for immediate or future urban use.¹

David Baxter

Now Bankhead will soon be no more, having been sold for a large sum of money to be developed into the housing estates now necessary for the progress and growth of the City of Kelowna, we are told. But for those of us who have planted and cared for this orchard of 7,000 trees through the years it is a sad sight to see the bulldozers moving in to destroy it.²

Claude H. Taylor

Manager, Bankhead Orchard, 1964.

The appointment of the Royal Commission in 1956 had marked an important turning point in the nature of government policy towards the valley. The seemingly intractable problems of agricultural dependency in the midst of a booming post-war economy were at odds with the mandate to stabilize the orchard landscape bestowed upon the single-desk in 1939. Reflecting the massive post-war expansion of the state, proposals designed to alleviate this economic plight began to emanate from the bureaucracies in Victoria and Ottawa – and not the growers’ own “Parliament,” as had occurred in the 1920s. Intended to address issues of rural poverty, new joint programs were designed to encourage industrial development and off-farm employment opportunities.³ In the Okanagan, the physical constraints of the narrow valleys ensured that any competition for the limited land base, which is what the new regional development programs fostered, worked at odds with the purposes of the Tree Fruit Marketing Scheme. Not surprisingly,

¹ David Baxter, *The British Columbia Land Commission Act — A Review*, Vancouver: Faculty of Commerce and Business Administration, UBC, Report No. 8, 1974, p. 4.

² Claude H. Taylor, “The Bankhead Orchard 1911-1964,” *Okanagan Historical Society*, 28th Report, 1964, p. 107.

³ By the late 1950s, the federal government had come to accept the notion that “rural people formed the core of regional poverty, and constituted the most intractable problem for development economists.” The most prominent of these programs was the Agricultural and Rural Development Act (ARDA). Anthony Careless, *Initiative and Response: The Adaptation of Canadian Federalism to Regional Economic Development*, Montreal: McGill-Queen’s University Press, 1977, p. 71.

the orchard landscape would be placed under increasing pressure from an expanding rural-urban fringe. The built-up component of the Okanagan's land base would invariably rise from only four percent in 1958, to well over seven percent a decade later.⁴ The three major urban centers of Vernon, Kelowna and Penticton would experience demographic growth of thirty, forty-seven and thirty-one percent, respectively, between 1961-1971.⁵

The majority of urban expansion was contained within the existing boundaries of municipalities until 1966, after which new residential construction increasingly took place on rural, orchard land.⁶ For growers, these changes in land-use patterns should have ranked in significance with issues of marketing, and should have received equal attention on their association's agenda. The impact of unregulated urban development differed little from the effects of inclement weather or mechanization in increasing the costs of production and lowering overall returns. Land could be taken out of production much more quickly than accompanying structural changes to packing capacity or the marketing organization could be effected. In the Okanagan, where urban development had become a constant pressure, it would be difficult to adjust fixed costs fully to the constantly falling level of production. The scattered subdivision of agricultural land had also become more than just a blight upon the landscape. It held the potential to alienate adjoining lots by increasing the speculative pressure to cease active production in anticipation of future residential or commercial expansion. In an era plagued by over-capacity at the local packinghouse level, fewer growers or lower volumes in any particular district entailed

⁴ The information was drawn from data compiled by the Canada Land Use Monitoring Program. The Okanagan study area consisted of 83,979 hectares, of which 68,157 hectares (81%) was in agricultural uses, and built-up uses constituted 3,722 hectares (4%). By 1981, the percentage would reach 31%. A "built-up use" consists of: urban core, extractive, commercial, manufacturing and storage, institutional, transportation and communication, and residential activities. Quoted in, Anne Kerr, *Okanagan Fruitlands: Land-use Change Dynamics and the Impact of Federal Programs*, Ottawa: Environment Canada, Lands Directorate, 1985, pp. 27-28.

⁵ Vernon's population increased from 10,250 in 1961 to 13,281 in 1971. Kelowna increased from 13,188 in 1961 to 19,412 in 1971, and Penticton went from 13,859 people in 1961 to 18,146 in 1971. Kerr, p. 48.

⁶ Michael Fumalle, "Public Policy and the Preservation of Agricultural Land in the Southern Okanagan Valley, British Columbia," Unpublished MA Thesis, University of Victoria, 1975, p. 82.

increased packing and pooling costs to all remaining growers.⁷ Urban subdivision posed further challenges in pest control as untended trees, retained to add to a rustic feel to the new lots, become breeding grounds for disease and infestations.⁸ Growers generally incurred additional expenses when common agricultural practices conflicted with residential lifestyles, resulting in vandalism, theft and objections to common agricultural practices such as spraying.⁹

Twenty years of continual subdivision and fragmentation, however, had generated sunk costs in the orchard landscape that served to lock-in the BCFGAs to a specific policy course. As a political institution with large fixed costs in infrastructure (the tree-stock of its membership), and distribution networks (established relationships with packinghouses, wholesalers and exporters), the Association was caught within an incentive structure that favoured a strong maintenance of the status quo. Independent case studies have shown that when institutional arrangements, welding public policy to new or existing administrative structures, are adopted, the accompanying incentive structures “may lead quite rational actors to behave in ways that are collectively suboptimal.”¹⁰ The disjointed response of the fruit industry, throughout the 1960s, to the continued threat of subdivision and urban encroachment conforms to this assertion. The reluctance to engage the issues of land-use change impacting the orchard landscape can, at first, be perceived as a gross abdication of responsibility on the part of the industry: suboptimal behaviour. This non-action can only be understood through the social and economic networks that took root following the implementation of the single-desk: these generated the incentive structures

⁷ To qualify the term neighbourhood packinghouse, there were roughly 34 packinghouses in the valley at the time of the MacPhee Royal Commission, while in 2001 there were only four major houses.

⁸ Fumalle, p. 92.

⁹ *Ibid.*, p. 93.

¹⁰ Paul Pierson, “When Effect Becomes Cause: Policy Feedback and Political Change,” *World Politics*, Volume 45, July 1993, pp. 606-607.

that influenced the probability of particular responses.¹¹ In short, the BCFGA found itself indirectly favouring a continued fragmentation of the orchard landscape, a necessary facet to maintaining its dominant position within the industry.

The findings of the MacPhee Royal Commission represent one of the first occasions in which the industry's response to a general program of reform became questionable from the point of view of an optimizing rationalism. MacPhee had stated unequivocally in his final report that if growers wished to continue operating uneconomically sized orchards, society would have less of a responsibility towards them.¹² He followed this with a series of recommendations ranging from packinghouse amalgamation, efficiencies to be achieved in management, and legislative changes, to increased financial assistance that could be pursued to alleviate the plight of the industry.¹³ To the general grower body, however, the force of such recommendations, including packinghouse amalgamation, had slowly been losing significance during the course of the commissioner's investigation. The activities of Alfred Beich and his Canadian Fruit Growers' Association (see below) had successfully polarized debate throughout 1958, turning MacPhee's final report into a referendum on the merits of BC Tree Fruits. For the BCFGA, the singularity of this discourse ideally suited its institutional limitations, allowing it to engage the dissidents and argue in favour of the status quo. MacPhee sought to put the issue to rest in his report as it had never been the focal point in his terms of reference, and was detracting from other needed reforms.¹⁴

¹¹ Pierson states that by accelerating the momentum behind one policy path, feedback effects render previously viable alternatives implausible. The result is often not conflict over the foregone alternative, but the absence of conflict. Pierson, p. 610.

¹² British Columbia, Department of Agriculture, *Report of the Royal Commission on the Tree-Fruit Industry of British Columbia*, Dean E.D. MacPhee (commissioner), Victoria: Queen's Printer, 1958, p. 777.

¹³ *Ibid.*, pp. 765-804.

¹⁴ MacPhee's terms of reference were:

- (a) What constitutes an economic unit of production;
- (b) The economics of packing, storage, and processing facilities, procedures, and techniques employed in the Province;
- (c) The factors involved in the marketing of tree-fruit products.

Although the dean directly refrained from passing judgement upon the dissidents and their cause¹⁵, he adeptly used the continued unrest in the Kootenays to imply that an abandonment of BC Tree Fruits, as Beich advocated, would be equivalent to committing economic suicide.¹⁶ Undeterred, dissidents reorganized into the Okanagan-Kootenay Fruit Growers' Co-operative Association and proceeded to carry out a systematic assault upon the BCFGA.

The effectiveness of the campaign caught the majority of those associated with the administration of the Tree Fruit Marketing Scheme off-guard. The President of the BCFGA, Arthur Garrish, wrote to MacPhee that

I must admit that we have been caught completely by surprise at the degree of effectiveness Mr. Beich has achieved in his campaign, coming as it did immediately on the heels of the publication of your report. We were unquestionably over-confident and most certainly never expected Mr. Beich could cut any swath.¹⁷

The Minister of Agriculture, Newton P. Steacey, was more blunt: "We cannot allow subversive groups to interfere with good management."¹⁸ The dissidents, claiming that BC Tree Fruits had become an unresponsive monopoly, sought to have the Tree Fruit Marketing Scheme amended to allow their organization to compete legally for market share. Focusing on the three-party contract, Beich urged growers not to renew in the belief that if fifty percent abstained, the government would be obliged to recognize his Okanagan-Kootenay Co-operative. The dissidents' immediate successes preoccupied growers and their association at a time when the full context of MacPhee's

MacPhee, p. 9.

¹⁵ "It will probably become a question of confidence of the majority of the fruit-growers of the area as to which leadership they wish to follow. The Commissioner does not consider it appropriate for him to make any evaluation of this problem, and all the more so because, at the time of the meeting, numerous interpretations were made which represented interim thinking of the group rather than any agreed policies." *Ibid.*, p. 755.

¹⁶ *Ibid.*, p. 784.

¹⁷ Personal Correspondence, Arthur Garrish to Earle D. MacPhee, March 3, 1959, Kelowna Centennial Museum.

¹⁸ Personal Correspondence, Newton P. Steacey to Arthur Garrish, February 26, 1959, Kelowna Centennial Museum.

recommendations should have been open for debate.¹⁹ For three years the industry would be embroiled in their recurring demands to dismantle the orderly marketing system. Closure would only be attained at the 1962 Annual Convention, as Beich, unable to attract wider support to his growers' association, attempted a reverse takeover, only to be defeated in his bid to become the President of the BCFGAs by a vote of 61-6.²⁰ Having resolved these marketing issues, the Association should have been free to pursue a broader agenda, one that addressed increased issues such as the urbanization resulting from various development projects. Unfortunately, existing institutional structures favoured continued non-action by the industry on issues such as the uneconomical unit or orchard fragmentation.

The selective engagement of MacPhee's recommendations would not be the only instance of quixotic behavior in the coming decade. British Columbia was in the midst of an impressive phase of modern province-building by the early 1960s, one in which the development of mega-projects was equated with both social and economic progress. When the Social Credit Party, the chief architect of this expansion, had come to office in 1952, it inherited one of the most archaic forms of cabinet government in Canada – one that had remained largely unchanged since the colony had entered Confederation in 1871. Traditional in form, cabinet's structure was simple and uncomplicated in operation, lacking the committees, staff, staff agencies and extensive paper work needed to provide

¹⁹ Three weeks after having mailed out the three-party contract to growers, only 700, or about 20% of the total had been returned. This was in comparison to 1,100 having been returned in the same period five years earlier. The BCFGAs President attributed the change to the actions of Beich. Personal Correspondence, Arthur Garrish to Earle D. MacPhee, March 3, 1959, Kelowna Centennial Museum.

²⁰ A sympathetic resolution from the Cawston-Keremeos Local (the same Local that nominated Beich for the Presidency) was debated at the Convention. Calling for British Columbia to be declared a "free area" from regulation in the sale fruit, it too was to meet with a resounding defeat at the hands of growers. It may also be worth noting that the Cawston-Keremeos Local stood to benefit the most by the removal of restrictions on the provincial sale of fruit as most of its members were benefiting from the increased road traffic brought about by the construction of the Hope-Princeton. *Kelowna Courier*, January 25, 1962, p. 1.

planning and co-ordination capability.²¹ Under this system the Premier, W.A.C. Bennett, enjoyed unprecedented decision-making authority in his dual role as Finance Minister with control over the Treasury Board.²² Bennett's penchant for charting economic progress on a project-by-project basis was one that did not lend itself to close inter-departmental co-ordination.²³ This scenario of one hand not knowing what the other was doing created a climate in which economic expansion was being encouraged despite efforts to stave off an inevitable loss in agricultural land. Many examples are available that underscore this dynamic, the most notorious being the expropriation of four thousand acres of prime farmland in Delta needed for construction of the Roberts Bank Superport. This one decision undermined a consensus reached over the span of four years between twenty-eight municipalities, the Lower Mainland Regional Planning Board and the provincial government itself, to protect the land for long-term agricultural use. The Kootenays offer a further example, one with significant overtones for the orchard landscape, as British Columbia and Washington State signed a treaty to develop the Columbia River for hydroelectricity.

The flooding of the Arrow Lakes region of the Kootenays to construct the upstream storage dams necessary for power generation constituted a significant loss of farmland. An estimate by the Arrow Lakes Farmers' Institute put the figure to be approximately twenty-three thousand acres.²⁴ The BCFGA Executive showed a promising response to these developments by contemplating the establishment of a

²¹ Paul Tennant, "The NDP Government of British Columbia: Unaided Politicians in an Unaided Cabinet," *Canadian Public Policy*, Volume 3, Autumn 1977, p. 491.

²² *Ibid.*, p. 491.

²³ *Ibid.*

²⁴ Christopher Spicer appeared before hearings into the flooding of the Arrow Lakes region on behalf of the Arrow Lakes Farmers' Institute in 1961. In his submission, he claimed that; "the lands to be flooded and abandoned would equal twice the entire area now planted to tree-fruits in the Okanagan (23,000 acres)." Quoted in: Donald Waterfield, *Continental Waterboy: The Columbia River Controversy*, Vancouver: Clarke, Irwin and Company Ltd., 1970, p. 68.

committee charged with assessing the impact of the Columbia development on agricultural production.²⁵ Unfortunately, there are no further records as to whether a committee was ever struck, or if any other research was conducted.²⁶ It is probable that the proposal became marginalized in the impending showdown with dissidents at the 1962 convention. In the absence of a comprehensive, industry-wide study on the status of tree-fruit production, one of the best ways to gauge the impact of development becomes the records of Associated Growers – the venerable selling agency that had been established in the wake of Aaron Sapiro. After having ceded control of marketing to BC Tree Fruits in 1939, the Associated had persisted through the distribution of pesticides to its remaining membership. In this capacity the Associated's operations can be used as a barometer to gauge the integrity of the orchard landscape. Regarding the health of the orchard landscape in the Kootenay-Arrow Lakes area, a 1966 directors' meeting indicated that the

territory is practically out of the picture insofar as production is concerned. The last substantial area, namely Renata, will have to give way to power production developments, as the entire area will be flooded. We are still carrying the small amount of Accounts Receivable in our records, namely \$74.68, but as previously indicated there is a reserve to cover this.²⁷

Another of the unintended results of the Columbia River Treaty was that the construction of the upstream storage dams provided Washington State's growers with a source of late summer irrigation.²⁸ With cheap land and government incentives, apple production in Washington's Columbia Basin Project was to increase from 484 acres in 1962 to 27,433

²⁵ British Columbia Fruit Growers' Association, *Minutes of the Executive Meeting*, March 8, 1961, p. 5. PABC.

²⁶ The initial proposal for such a committee appears in the minutes of the BCFG Executive, housed at the Provincial Archives of British Columbia. Unfortunately, there is no further mention by the Executive of assembling such a body, and no resolution for, or report by any similar type of committee ever appears to have been debated at the annual conventions of the BCFG between 1962-69 (material also found at the Provincial Archives).

²⁷ *Minutes, Director's Meeting*, Associated Growers', June 13, 1966, p. 2, Vernon Museum.

²⁸ Wendy Holm, *The Agricultural Land Reserve in the Okanagan: Renewing the Public Policy Prescription* (report submitted to the B.C. Fruit Growers Association), Bowen Island: W.R. Holm and Associates, 1997, p. 48.

acres in 1992.²⁹ Meanwhile, the absence of an integrated planning apparatus that could effectively protect agricultural production in British Columbia was negating the effectiveness of amendments designed to regulate land-use and preserve farmland.

The formulation of the Agricultural and Rural Development Act (ARDA) by the federal government in 1961 further underscored the extent to which the BCFGA had become locked-in to prevailing policies. Despite its status as the pre-eminent producer group in the province, the Association exercised slight influence on the application of the program to the Okanagan. Intended to address the specific problems of rural Canada, ARDA was a joint program that encouraged the development of alternate land-use patterns, soil conservation, and farm consolidation. Initially objecting to the jurisdictional incursion by the federal government, the province only consented to an ARDA designation in British Columbia when it was established that the majority of the funding would be earmarked for projects in the premier's constituency of South Okanagan.³⁰ What was intended as a national program to alleviate rural poverty came to serve a distinctly partisan objective in the Okanagan. Without questioning the merits of rehabilitating irrigation works, the activity to which the majority of ARDA funding in the valley was budgeted between 1962-65, the 1958 Royal Commission had maintained that irrigation reconstruction was a peripheral issue to the overall health of the fruit industry.³¹ What ultimately drove the project to install new irrigation systems was the political

²⁹ This became a major source of competition for Okanagan producers, accounting for 94% of total U.S. apple imports into the British Columbia market for 1992. *Ibid.*

³⁰ Careless argues that due to British Columbia's considerable wealth, based upon primary resources, and the highly conservative political views of the governing party, it did not possess the inclination to encourage industry through discretionary public policy and was initially opposed to ARDA. Careless, p. 30.

³¹ Of the \$5.5 million approved during the first phase of the program between 1962-65, \$4.7 million went to the rehabilitation of irrigation works in the valley. Helen Buckley and Eve Tihanyi, *Canadian Policies for Rural Adjustment: A Study of the Economic Impact of ARDA, PFRA, and MMRA*, Ottawa: Queen's Printer, 1967, p. 255. MacPhee felt that it would be outside of his terms of reference to examine the efficiency of the irrigation systems now in operation. He did, nevertheless, feel that he would be remiss if he did not draw to the attention of the provincial government that a substantial percentage of the works were nearing the end of their useful life. MacPhee, pp. 147-152.

capital to be gained with rural residents. In many instances, the upgrading of the farm component of the network was accompanied by the installation of a dual water system that brought running, domestic water to an orchard unit.³² This materially improved the living standards for many farm families while avoiding the less palatable reforms advocated by the Royal Commission, such as packinghouse amalgamation, or orchard consolidation. Had the BCFGAs been able to move beyond questions of internal dissent related to the single-desk, the parceling out of ARDA funds might not have been driven exclusively by government, to the detriment of needed reforms to the industry. The Association's non-action on the matter abetted increased erosion of the orchard landscape. Since the era of the great ranch, the Okanagan had suffered from an under-developed infrastructure. The addition of a domestic water supply through ARDA altered the desirability of numerous orchard properties for residential development.

A number of additional factors, primarily resulting from provincial and federal policies, regulations, and programs, further contributed to the fragmentation of holdings. The orchard landscape already made it very difficult for developers to accumulate large tracts of land. As a result, existing subdivisions were, by necessity, quite small in terms of lot size and acreage.³³ Provincial legislation also had a role to play as subdivisions of five lots or more, and over one hundred acres, could only be offered "after the subdivision plan had been filed in the Land Registry Office, and after a prospectus in the form and with the content required by the Real Estate Act has been delivered to and accepted and filed by the Superintendent of Insurance."³⁴ Subdivisions of fewer than five lots were not required to follow this procedure, allowing developers and individual

³² Michael Fumalle, "Public Policy and the Preservation of Agricultural Land in the Southern Okanagan Valley, British Columbia," Unpublished MA Thesis, University of Victoria, 1975, p. 99.

³³ *Ibid.*, p. 87.

orchardists to convert their holdings easily.³⁵ Those orchards possessing a domestic water supply became more desirable as their servicing costs had been subsidized by ARDA.³⁶ Continued urban demand, both residential and commercial, for orchard land was being stimulated by a new, overhauled ARDA program that sought a different direction, away from unrelated agricultural assistance projects, such as irrigation improvements, and towards a more planned regional development program.³⁷ The federal government now recognized that rural poverty encompassed more than just farming, and that the labour displaced by farm consolidation lacked the skills to find alternate employment.³⁸ Accordingly, a new system of industrial incentives was devised under a revised “designated-area policy” that saw the three Okanagan centres of Vernon, Kelowna and Penticton qualify in British Columbia.³⁹ It would be later estimated that ninety-five projects were established or expanded under the new incentives, employing approximately thirty-eight hundred people by the end of the decade. The completion of the Roger’s Pass section of the Trans-Canada Highway in 1962 facilitated a further fragmentation of the orchard landscape as motor vehicle access to the valley was substantially improved.⁴⁰ When combined with the numerous beaches and lakes of the region, the rural feel of the orchard landscape that had been so at odds with the warm, arid climate and rugged terrain became a major pull factor for a burgeoning tourist industry. By 1970, tourism would be the third most important sector of the economy,

³⁴ British Columbia, quoted in Fumalle, p. 87.

³⁵ *Ibid.*

³⁶ The government had foreseen the possibility of growers using ARDA funds to subsidize the provisioning of a domestic water supply to their orchards, only to offer them for sale to residential developers. Therefore, before an orchard was supplied with a new water system, a contract was entered into that laid out a system of penalties designed to discourage the conversion of orchard land after ARDA upgrading. Land values in the Okanagan, however, were such that any penalties could easily be absorbed by the high prices that orchard land was able to command in the 1960s, rendering the penalties ineffective. *Ibid.*, pp. 99-102.

³⁷ Careless, p. 72.

³⁸ *Ibid.*

³⁹ Pat McGeer, *Politics in Paradise*, Peter Martin Associates Limited, Toronto, 1972, p. 15.

⁴⁰ Arthur Garrish, “The Orderly Marketing System,” *Okanagan Historical Society*, 50th Report, 1986, p. 64.

behind only agriculture and the incentive-laden manufacturing industry.⁴¹ In ten years, the percentage of fruit trees located in the north of the valley vis-à-vis the south had gone from sixty percent to only forty-seven percent.⁴²

The virtual non-response of the BCFGAs to these changing circumstances is, at first, perplexing. Urban growth was now the single greatest threat facing the orchard landscape: the expanding rural-urban fringe took acreage out of production, reduced volumes, increased costs, and lowered overall returns. Accordingly, one would expect the records of the BCFGAs, BC Tree Fruits or any one of the packinghouses to contain references to this new set of challenges. That there was no great debate is indicative of the extent to which the fruit industry had become welded to issues of mass commodity marketing, and marketing alone. Driven by a sense of pressure on their incomes and on their industry, growers responded not by clearly analysing their overall situation, but instead by re-entering the well-worn discussion regarding the efficiency of BC Tree Fruits as a central selling agency. This was an issue that had been raised again at the 1964 Convention as growers began to question whether they were receiving fair value for their crop from the selling agency. The total cost of a survey to be conducted by a private Toronto firm was estimated to be approximately \$50,000 – all of which would have to be covered by growers. It would be this latter point that dominated discussion at the 1965 annual meeting, ultimately being rejected by a vote of 34-33 by delegates.⁴³ The narrowness of the defeat exposed the shortcomings of the industry's evolution. Growers perceived that their returns were being adversely affected, but framed their response by looking inwards at the structures of their own Association. Even then, a consensus could

⁴¹ Fumalle, pp. 81-82.

⁴² The north saw a decline in overall numbers of 132,000 trees. Kerr, p. 31.

not be achieved as neither BC Tree Fruits, the three-party contract, pooling methods, roadside stands nor the extension of CA storage could easily be identified as the source of poor returns to growers. The answers that were now sought lay in relationships with the land, and the changing urban face of the valley.

Throughout the 1950s, the driving force behind growers' unrest had been the aftereffects of consecutive freezes. Fortunately, for almost ten years the natural environment had afforded a degree of stability that allowed growers to recover from the effects of these last major freezes. The weeks leading up to the 1965 Convention, however, marked the end to this run of mild winter weather as temperatures dropped to lows of -26°C to -28°C .⁴⁴ Initial optimism regarding the extent of the damage gave way throughout the spring of that year to the realization that the frost had a greater impact than had been initially estimated. The polar air mass that had blanketed the valley that December ended up killing over 200,000 trees and damaging many more.⁴⁵ The annual Report of the Penticton Co-operative Growers' read like a report from any one of the packinghouses throughout the Okanagan that year. The 1965 crop of soft fruits in the area amounted to a mere 508 packages compared with the 241,617 packages in 1964, while apples, pears and crabapples were down a collective 45 percent.⁴⁶ To many growers, the costs of replanting had become too onerous for precisely the reasons that MacPhee had outlined seven years earlier. The economics did not justify continued production when land valuations remained inflated from the increased economic activity of the valley. This helps explain the easy and quick extension of residential construction onto the orchard

⁴³ The Peachland local had even attempted to resurrect the old Cawston-Keremeos resolution, to have British Columbia declared an "open market" at that year's convention, before it too was met by defeat. *Kelowna Courier*, January 19, 1965, p. 1.

⁴⁴ Jeannette Boyer, *Human Response to Frost Hazards in the Orchard Industry, Okanagan Valley, British Columbia*, Waterloo: Department of Geography, University of Waterloo, 1977, p. 40.

⁴⁵ *Ibid.*

⁴⁶ Penticton Co-operative Growers', *53rd Annual Report and Balance Sheet*, 1965, p. 2.

landscape after 1966. As in past years, the records of Associated Growers' business operations can be used as a barometer for changes occurring within the orchard landscape. The co-operative was coping with a reality in which, based on the record of rebates for the calendar year 1966, only 42 percent of distribution had occurred in the Vernon area and further north, while 58 percent was now occurring from Westbank south.⁴⁷ Located in Vernon, Associated Growers was becoming geographically separated from its surviving customer base.⁴⁸

Institutionally, the period immediately preceding the 1964-65 freeze saw the association enter into the final stages of a transition in leadership that had been under way for a number of years. Many of the growers who had served through the war years and into the period of the Royal Commission had retired or been replaced within the various levels of the BCFGA hierarchy. Already departed were "Tiny" Walrod, Gordie Wight and Gordon DesBrisay, and in 1965 Arthur Garrish, President of the Association since 1951 and the "perpetual" holder of the post, announced that he too would not be seeking re-election at the forthcoming convention.⁴⁹ The timing of Garrish's departure, however, further reinforced the aversion of the BCFGA towards important issues of land-use change at a critical juncture in the history of the orchard landscape. Due to the length of his tenure and dominant position within the industry's hierarchy, Garrish's retirement left the Association in a minor state of flux during the transitional period. It would require a couple of conventions before the new president, Allan Claridge, firmly imprinted his own

⁴⁷ *Minutes, Executive Meeting*, Associated Growers, December 12, 1966, p. 2, Vernon Museum

⁴⁸ Using Canada Land Use Monitoring Program data, Anne Kerr presents statistics showing that between 1958 to 1969 the North Okanagan lost 420 hectares, or 29.5% of the orchard land in the district, while residential land uses doubled from 284 to 573 hectares. The Central Okanagan (comprising Kelowna and Penticton) lost even more acreage, 690 hectares (10.5% of all orchard land), as residential land uses skyrocketed from 424 hectares to 1,326 hectares in the same span. Only the South Okanagan avoided such a substantial loss of orchard land, 6.8% in this period. Kerr, p. 136. For a more comprehensive presentation of this data, please Appendix B.

⁴⁹ Dendy and Kyle, p. 176.

style of leadership upon the Association. In the interim, the only major initiative to reach fruition was the successful lobbying of the provincial government for the enactment of crop-insurance legislation in 1967. Preoccupied with internal renewal and the implementation of the *Crop Insurance Act* – a valuable, yet limited tool for alleviating the deep-seated problems facing the industry – a clear position on urbanization had yet to be enunciated by the Association towards the close of the decade. Events at the opening of the 1968 Convention offered an interesting juxtaposition to the Association's continued non-action on land-use change. The Minister of Agriculture, Frank Richter, impressed upon growers the need to take a broader view of the problems plaguing their industry.

It seems obvious your present program should be enlarged to take into account the pressing problems of agricultural land use. I have in mind such matters as the continuing encroachment of urban areas onto farmland, the location of industrial sites and highways.⁵⁰

Unfortunately for Richter, growers' conventions could always be relied upon to deal almost exclusively, in some way or another, with a variant of the traditional marketing theme. The 1968 gathering would be no different and, reflecting the new direction emerging under Claridge's leadership, a designated theme of *A United Agriculture* was adopted for the convention. Most likely a manifestation of the nationalism engendered by the country's Centennial Celebrations the previous year, *A United Agriculture* sought to forge closer ties with a wide variety of national and provincial producer groups.⁵¹ Accordingly, the national, marketing orientation of the theme did not easily mesh with the substance of Richter's essentially local, non-marketing recommendations.

⁵⁰ *Ibid.*, p. 2.

In light of the Association's sustained inability, throughout the 1960s, to enunciate a clear position regarding the erosion of the orchard landscape, the unfettered sale of orchard land can be interpreted as having emerged as a vital component of the orderly marketing system. The ability to exit the industry in an easy and manageable fashion came to assume the role of a safety valve, thereby securing the entrenched social and economic patterns and enabling the remaining growers to avoid the larger issues facing their industry. In the economic juggernaut that was British Columbia throughout the 1960s, however, the fruit growers could not sustain their relationship with the landscape. Another freeze in 1968-69 destroyed the majority of trees that had been replanted in 1965. The lasting effects of the frost damage also exposed some of the shortcomings in the *Crop Insurance Act* – namely the reduction in benefits during a prolonged downturn in crop volumes. As the flow of money to growers from the packinghouses “dried up” in early 1970, the general mood of dissatisfaction that followed encouraged the re-emergence of dissidents.⁵² Their return coincided with the emergence of a broader desire, especially in the Lower Mainland, to see the province's scarce agricultural base protected from urban sprawl. Any attempts to put controls on the use of agricultural land in the province, however, would directly conflict with continued support for the orderly marketing system in the Okanagan, as restrictions would block growers from realizing any windfall in real estate profits from either subdividing, or exiting the industry. Unable to bank on the value of their land in retirement, many growers would demand a re-evaluation of marketing structures in the hopes of finding a system more capable of providing more consistent returns during their productive years.

⁵¹ The belief was that closer integration amongst groups such as the BCFG and other farmer-driven marketing organizations such as the Wheat Pools would bring a better livelihood for all.

⁵² Arthur Garrish, “The Orderly Marketing System,” *Okanagan Historical Society*, 50th Report, 1986, p. 61.