

Introduction

It is many years since anyone has asked me to speak on anything to do with the fruit industry. The story of the Three Wise Men, Haskins, Barrett, and Hembling, and the tremendous contribution of A.K. Loyd was the stock routine of any previous speeches or talks, and nothing much had changed in the fruit industry and nothing much looked like it would change. The orderly marketing system which had been the product of so much blood, sweat, toil and tears in the thirties seemed to be so firmly established as to be irreplaceable. But changes have taken place...¹

Arthur Garrish

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To those of us who still maintain a keen interest in the fortunes of the Okanagan fruit growers, word in 2000 that efforts were afoot to remove the last vestiges of the Tree-Fruit Marketing Scheme served as a poignant reminder of the events that took place over a quarter of a century ago: events that forever changed the course of the industry. Back in the late 1960s and early 1970s, the landscape of the valley was still dominated by family-owned orchards, just as it had been since the turn of the century. The presence of a service sector geared to an increasing tourist trade and the emergence of large-scale vineyards — that would eventually co-opt the orchard landscape in later decades — were still only in their embryonic stage. The fruit growers stood at the apex of their commercial and social influence within the Okanagan, as apples powered the region's economy. So great was their importance that the decisions made at the annual Convention of the British Columbia Fruit Growers Association (BCFGA) garnered more attention in the local press than did most initiatives emanating from the Provincial Legislature in Victoria. By some accounts, being one of the over 2,750 registered fruit growers in this

¹ Arthur Garrish was my grandfather. Arthur Garrish, "The Orderly Marketing System," *Okanagan Historical Society*, 50th Report, 1986, pp. 60-61.

era meant enjoying a relative level of prosperity.² This affluence, however, had not been accomplished by default: it had been slowly constructed by an industry that operated through the depths of financial turmoil, survived crises of production and ultimately prospered within a rigidly structured hierarchy that shored up the viability of the individual orchard units.³ Fundamental to all these efforts was the Tree-Fruit Marketing Scheme, a state sanctioned organization that embodied and legitimized grower aspirations for stability and prosperity.

The Marketing Scheme created a three-person British Columbia Fruit Board, appointed by the growers through the BCFGA. The board, in turn, routinely designated BC Tree Fruits as the sole selling agency for the growers' produce. In practical terms, the scheme effectively limited the debilitating competition that had wrought havoc on the industry in the past, but it did so on rather illiberal terms. All growers were compelled by provincial law to sell their produce through the central desk of BC Tree Fruits, thereby ensuring a better return for the whole grower body through collective marketing. By controlling the sale of all fruit through one agency, growers co-operated "for the benefit of all by pooling their products, consolidating their selling, avoiding glutted markets, planning and regulating distribution, and building expensive cold-storage plants."⁴ During the flurry of events that would strike the industry in the seventeen months between August 1972 and January 1974, however, it was this seemingly innocuous characteristic, once regarded as absolutely necessary for the greater good, that precipitated the abandonment of the scheme. Twenty-six years later, the total number of

² A plebiscite on the future of central selling was held in late 1973. The *Vancouver Sun* reported on December 17, 1973, p. 14 and December 20, 1973, p. 15, that there were approximately 2,750 individuals registered to vote – of which 2,018 turned out on December 19, 1973.

³ Colin Malcolm Reeves, "The Establishment of the Kelowna Orchard Area: A Study of Accommodation to Site and Situation," Unpublished MA Thesis, University of British Columbia, 1973, p. 5.

growers registered with the BCFGA has declined to hardly more than 600, and the Okanagan is now more commonly associated with viticulture and a blossoming high tech sector, giving rise to the moniker “Silicon Vineyard.” The fruit industry, moreover, has resorted to seeking grants from the Ministry of Tourism on the premise that it is a major facet in the marketing of the region. By no longer even seeing itself as an entirely viable, stand-alone industry, the fruit growers ultimately raise concerns about whether they are in the sunset of their existence, and what prospects the future holds for them.

This study will endeavour to delineate the historical circumstances that led to the ultimate abandonment of the orderly marketing system in the early 1970s. At its core, the reader will find within this thesis a strong emphasis on the role of the natural landscape, and of individual attempts first to modify the land and then eventually to accommodate it. In this vein, the writing will follow the example of the American environmental school of history, and writers such as William Cronon, William Robbins and Richard White who explore the relationship between people and the land.⁵ The research will attempt to establish that the land-use decisions made during the early development of the orchard landscape bore little relation to the physical restrictions of the natural environment. In placing the fruit industry upon such a fragile foundation, boosters, land speculators, and even the provincial government condemned growers to seek stability through local institutions and organizations extraneous to the orchard unit. Of particular note in this process is that, consciously or not, the growers’ chosen vehicle, the co-operatively based BCFGA, was molded as much by the dictates of the natural environment as it was by the

⁴ Arthur Garrish, quoted in 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. 45.

⁵ Some of the more notable works from this school of history are: William Cronon’s *Changes in the Land* (1983), and *Nature’s Metropolis* (1991), Richard White; *Land Use, Environment and Social Change* (1980), William Robbins; *Landscapes of Promise* (1997), Steven Stoll; *The Fruits of Natural Advantage* (1998), Mark Fiege; *Irrigated Eden* (1999), and Donald Worster; *Rivers of Empire* (1985), and *Under Western Skies* (1992).

growers. The history of the fruit growers, therefore, is one in which the landscape and the region become important factors in the reordering of human actions to achieve an accommodation to site and location. It was this environment that helped create a need for market co-operation and led to the emergence of the BCFGA as “one monolithic authoritative organization ... controlling BC Tree Fruits, Sun-Rype Products Limited, and also having control over the BC Fruit Board,” after 1951.⁶

A key challenge in understanding twentieth century agriculture is to understand the reasons why producers owning small and average sized farms have banded together — or been banded together by government — to form collective marketing associations. One explanation is the economic dynamic of producers, numbering in the tens, and even hundreds of thousands competing in the same market with the same product.⁷ Reaching any form of independent consensus with such a vast number of producers on issues of price agreements, restrictions on output, or orderly marketing becomes virtually impossible. As farmers’ income is wholly dependent on the price they receive for their product, the consequence of uncoordinated and independent action in the marketplace results in diminished average returns and a possible role for some form of collective marketing. Through pooling their product and creating economies of scale in a marketing association, producers can improve their economic position through price discrimination, the extension of traditional markets, and the elimination of middlemen — ensuring that profits earned from the sale of the commodity revert back to the producer. Further implementing these measures on a co-operative basis allows an equalization of market

⁶ Garrish, 1986, p. 61.

⁷ For an early example of these factors at work in a Canadian context, please refer to Vernon Fowke’s *The National Policy and the Wheat Economy*, Toronto: University of Toronto Press, 1959. On the more recent history of collective marketing, as embodied in the Canadian Wheat Board, see also Andrew Schmitz and Hartley Furtan, *The Canadian Wheat Board: Marketing in the New Millennium*, Regina: Canadian Plains Research Centre, 2000.

power between the many small producers who may comprise a co-operative, and the more concentrated, corporate markets in which they operate. California fruit growers embarked upon this very path in the 1890s, using market co-operation to participate in the economy as equals alongside big corporations, collectively overcoming their geographic isolation from the largest urban of markets in the United States (such as New York and Chicago).⁸ On the Canadian Prairies, market co-operation was employed to help stabilize the position of an industry saddled with thousands of farmers who had indiscriminately expanded into a dry belt following the re-introduction of the pre-emption principle to land grant policy in 1908.⁹ In effect, farmers throughout Canada, the United States, and abroad had turned to co-operative marketing by the 1920s to address the economic challenges that confronted them.

While all commodity producers have faced similar pressures, marketing issues alone do not always explain why farmers opt for collective solutions. The case of the BCFGGA highlights an additional factor: environmental pressures from the landscape itself, and the effects of these in terms of insecurity and instability. The arid, desert-like climate made the construction of irrigation systems, an undertaking far beyond the financial means of any individual grower, essential to the success of fruit growing in the region. The geological history of the Okanagan further bestowed upon the fruit industry an inconsistency in soil types that left many orchards on land of only marginal capacity. The north-south orientation of the valley also jeopardized a grower's livelihood by subjecting orchards to inclement winter weather capable of killing an entire fruit tree in only a matter of days. A final challenge posed by the environment was the sheer

⁸ Steven Stoll, *The Fruits of Natural Advantage: Making the Industrial Countryside in California*, Berkeley: University of California Press, 1998, pp. 63-75.

⁹ Fowke, pp. 76-77.

remoteness of a fruit-growing district within an isolated mountain valley, and all subsequent dislocations from any major market. Thus Okanagan fruit growers, in being based on an environmentally insecure foundation (like Prairie grain farmers) and selling to distant markets (like California fruit growers) formed strong collective organizations like these other groups. This differed from, for example, coastal growers in British Columbia, who by virtue of their location faced milder and more tolerant conditions as well as shorter routes to market. In the face of environmental insecurity, marginal lands, and fragmented small-scale ownership, the BCFGA assumed the role of a coping mechanism. Central selling and orderly marketing provided the tools needed to protect and further the interests of growers in all matters directly connected with the production and marketing of their fruit in a less than hospitable natural landscape. To the extent that the Association was called upon to perform this role, it proved surprisingly successful from the 1940s to the 1960s in fulfilling the needs of growers. Unfortunately, it is clear in hindsight that there were detrimental aspects to the growers allowing the BCFGA to become so welded to the philosophy of orderly marketing.

As the 1960s progressed, the association found itself ill-equipped to assess the significance of an increasing rural-urban competition for use of the limited land base in the valley. Moreover, the steady growth of centres such as Kamloops, Kelowna, Vernon and Penticton put orchards in the direct line of an expanding urban-rural fringe. As land prices soared and growers struggled under the hardship of successive frosts, it became an accepted practice to sell out completely, or to sub-divide one's holdings where possible – thereby recovering losses incurred on the orchard. The sale of orchard land in this way became a safety valve for the industry, deflecting criticism from a marketing system

incapable, at times, of delivering a satisfactory return to growers. When the broader implications of urbanization were ultimately realized in 1972, the provincial government began the process of instituting far-reaching restrictions on the conversion of farmland, effectively closing the one avenue available for profitably exiting the industry. The legislation introduced to regulate the use of farmland led to widespread unrest within the fruit industry, and the re-emergence of a small band of dissidents pushing for a relaxation of the rules surrounding the single-desk. Due to poor crop returns, and the farmland freeze, the BCFGA found itself poorly positioned to mount a convincing counter-campaign to the dissidents. The provincial government further abandoned the Fruit Board in its enforcement of mandatory single-desk selling, denying the industry the structures upon which it had operated for over thirty years. The result of these events was what the official removal of the Tree Fruit Marketing Scheme would acknowledge all these years later: *The Abandonment of the Orderly Marketing System*.