

**Voluntary Report** – Voluntary - Public Distribution

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**Report Name:** Blueberry Annual Voluntary

**Country:** Canada

**Post:** Ottawa

**Report Category:** Fresh Fruit

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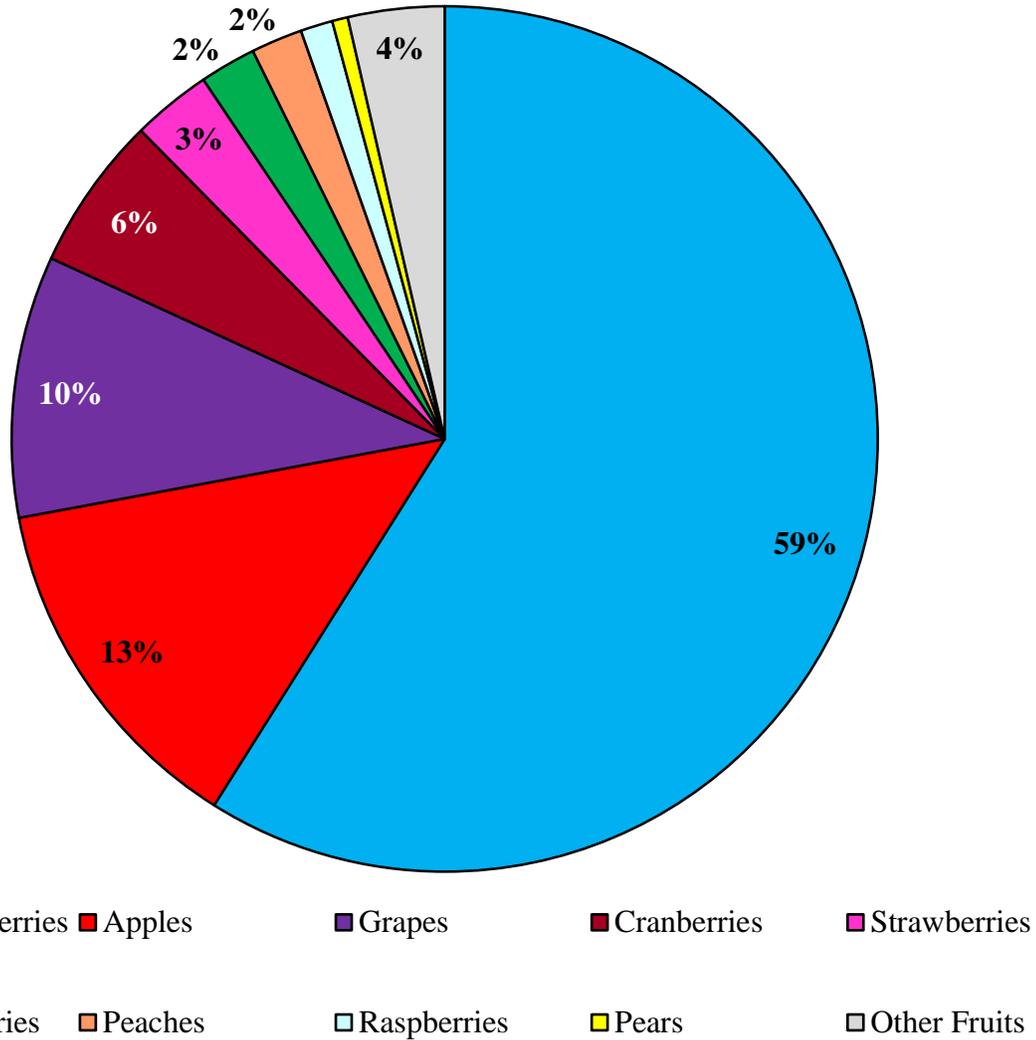
**Approved By:** Philip Hayes

**Report Highlights:**

Canada grows both wild (low bush) and cultivated (high bush) blueberries and blueberries are Canada's top fruit commodity by growing area and farm gate value. Blueberry acreage has expanded over the last decade with blueberry acreage experiencing sustained growth year-over-year. Wild blueberry acreage reported for 2021 was the largest in the past decade.

Blueberries are Canada’s top fruit commodity by growing area with nearly 60 percent of Canadian fruit growing area dedicated to blueberries<sup>1</sup>. In 2021, 81,383 hectares were planted to blueberries, out of 138,087 hectares devoted to growing fruit.

Figure 1- Canadian Fruit Commodity Market Share by Growing Area 2021

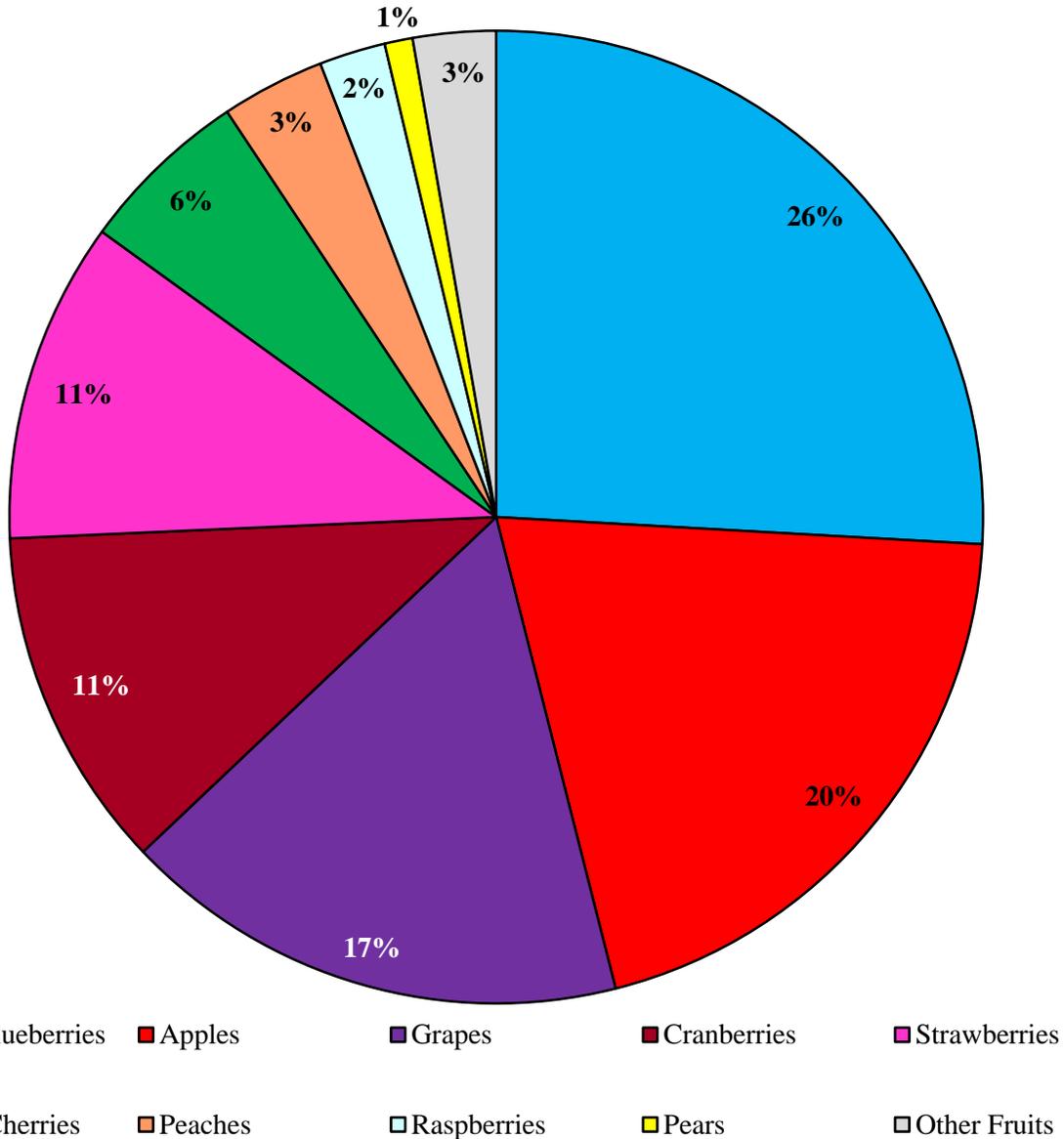


Source: Statistics Canada

Amongst fruit grown in Canada, blueberries also represent the greatest farm gate value with over one quarter of the total fruit farm gate value generated by blueberries. In 2021, Canadian blueberry farm gate value was CAD 311.7 million.

<sup>1</sup> Note that for wild blueberries, annual bearing area may differ significantly from cultivated area due to the biennial growing nature of the crop.

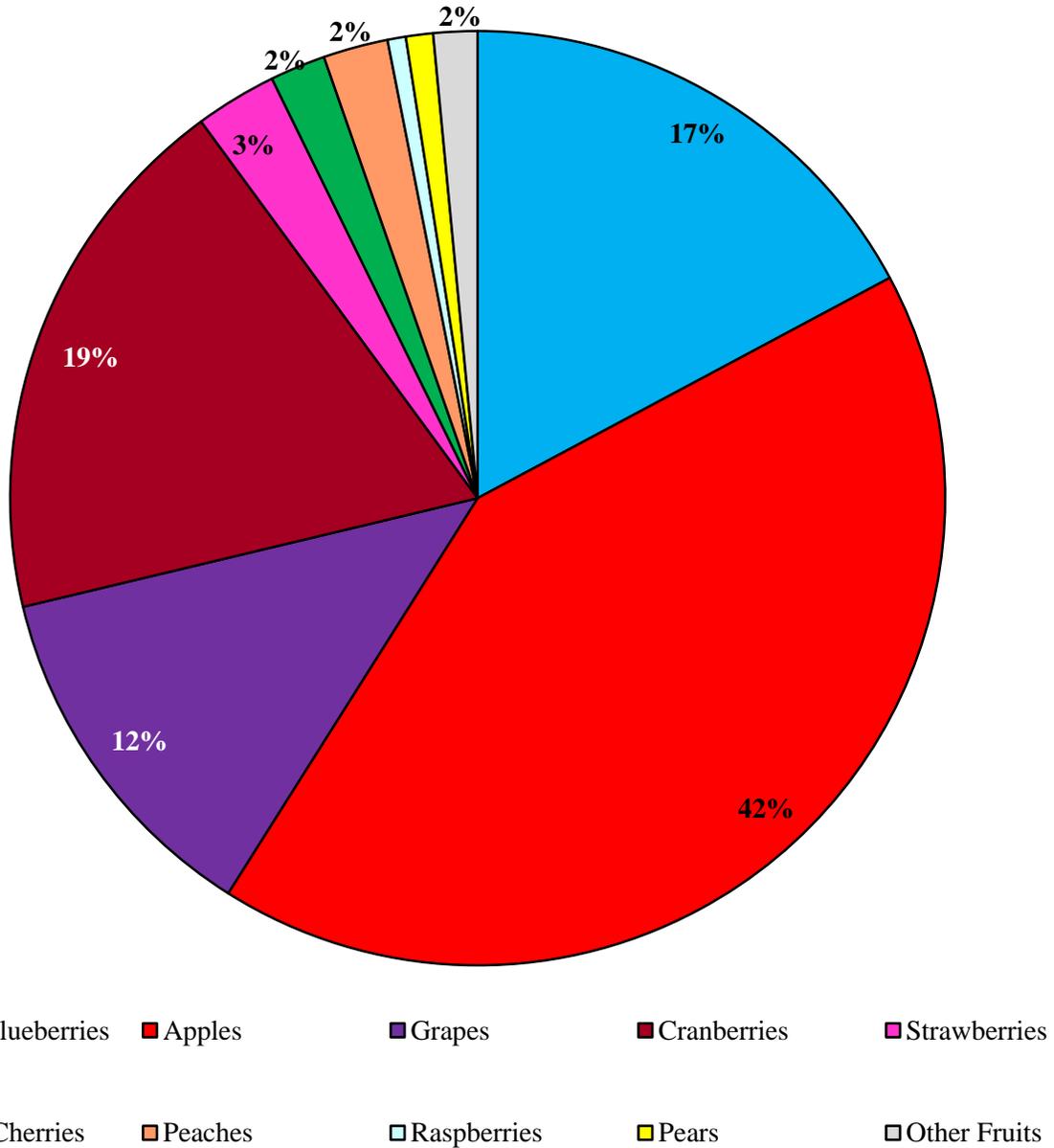
Figure 2- Canadian Fruit Commodity Market Share by Farm Gate Value 2021



Source: Statistics Canada

While blueberries dominate other fruit commodities in terms of cultivated area and farm gate value, they were the third largest fruit crop produced in Canada by marketed production in 2021. Of total marketed production in 2021, blueberries accounted for 17 percent by weight, with apples at 42 percent and cranberries at 19 percent. Apples are the largest fruit crop by marketed production in Canada while blueberries and cranberries alternated as second and third largest, depending on the production year.

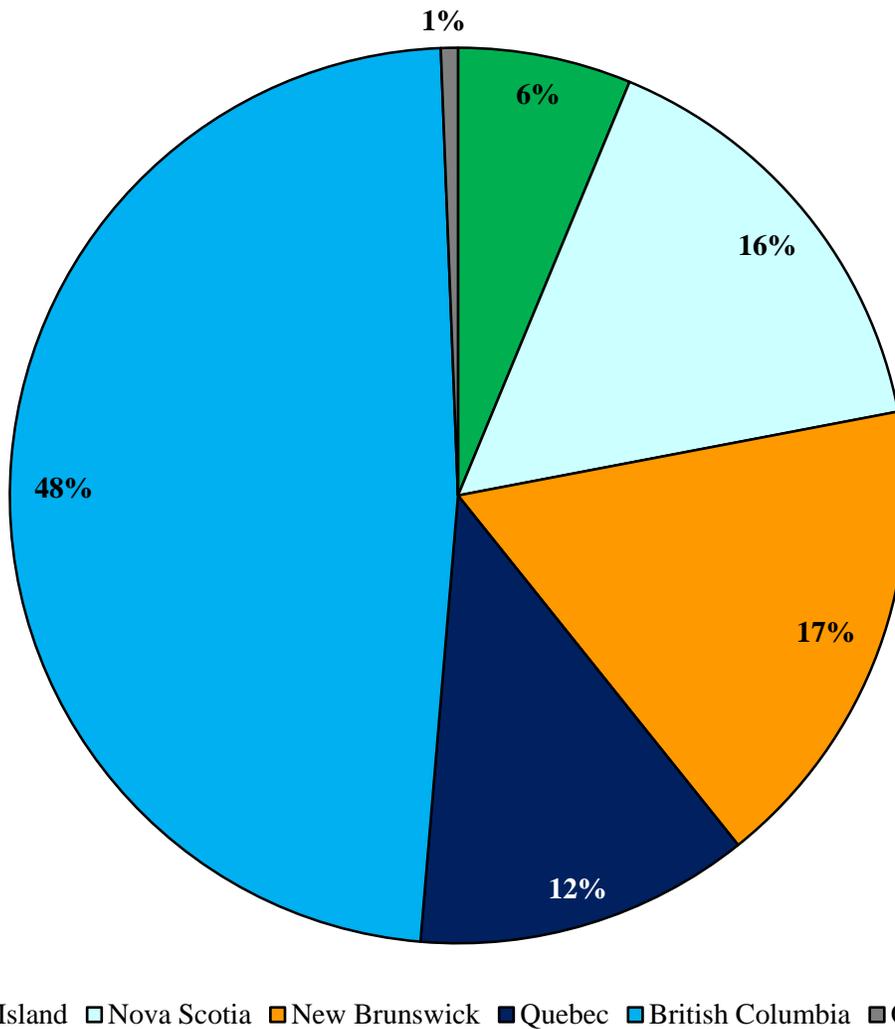
Figure 3- Canadian Fruit Commodity Market Share by Marketed Production 2021



Source: Statistics Canada

British Columbia (BC) represented almost 50 percent of Canadian production volume in 2021 with most production in Southern BC. The remaining half of production in Canada is concentrated in the Maritimes, mainly New Brunswick and Nova Scotia, and Quebec. Typically, Quebec is the largest producing province in Eastern Canada but significant frost events in 2021 severely impacted production.

Figure 4- Canadian Blueberry Production by Province 2021



Source: Statistics Canada

Canada grows two main types of blueberries, cultivated (also known as high bush) and wild (also known as low bush), which accounts for the regionalization in production. Acreage for cultivated blueberries is highly concentrated in Western Canada; 96 percent of cultivated production is in BC. Expansion of cultivated acreage in BC is also the driving force behind the province as the dominant blueberry producing region in the country. BC does not grow wild blueberries commercially.

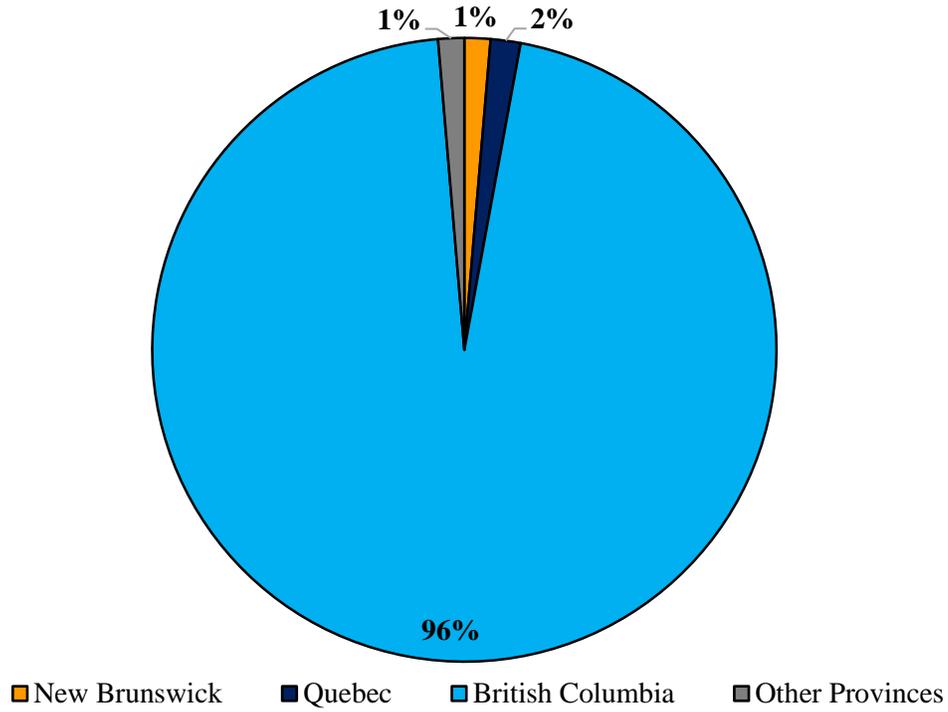
Wild blueberry production is dominant in Eastern Canada. In most years, Quebec is the largest producer of wild blueberries and the largest producer of blueberries in Eastern Canada. However, the 2021 Quebec crop was adversely impacted by weather, leading to both New Brunswick and Nova Scotia crops overtaking Quebec blueberry production in 2021. In the five-years preceding 2021, 42 percent of Canada's wild blueberry crop came from Quebec, while New Brunswick and Nova Scotia produced 27 percent and 20 percent, respectively.

Figure 5– Canadian blueberry production regions.

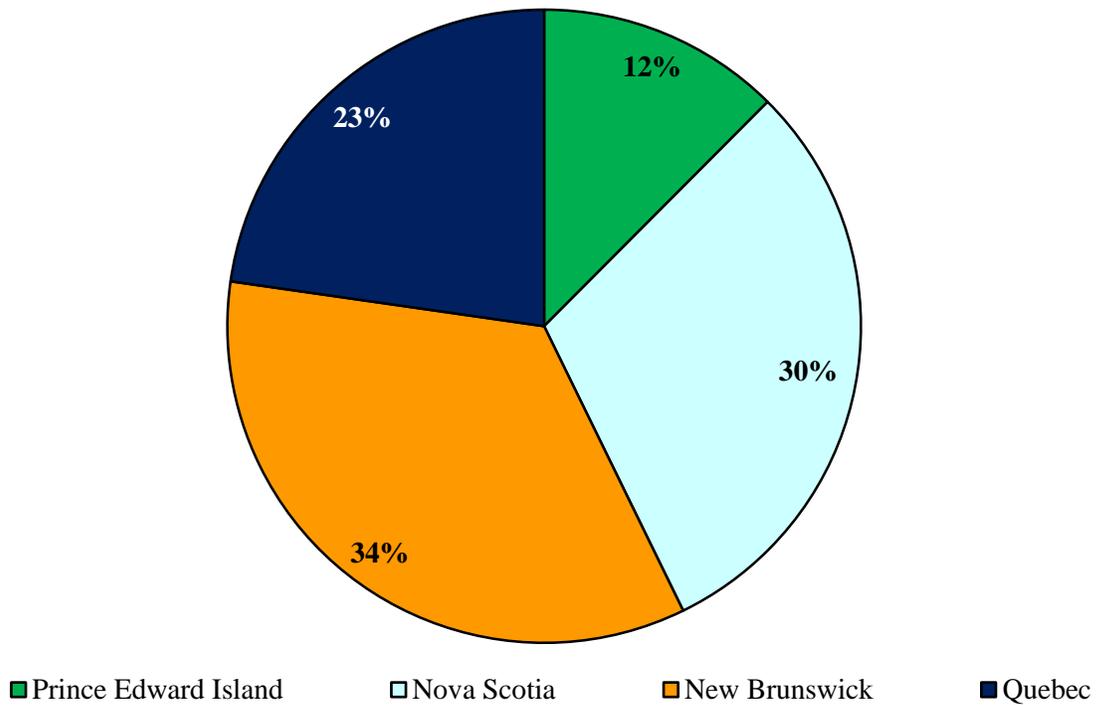


PEI = Prince Edward Island

Figure 6- Canadian Cultivated Blueberry Production by Province

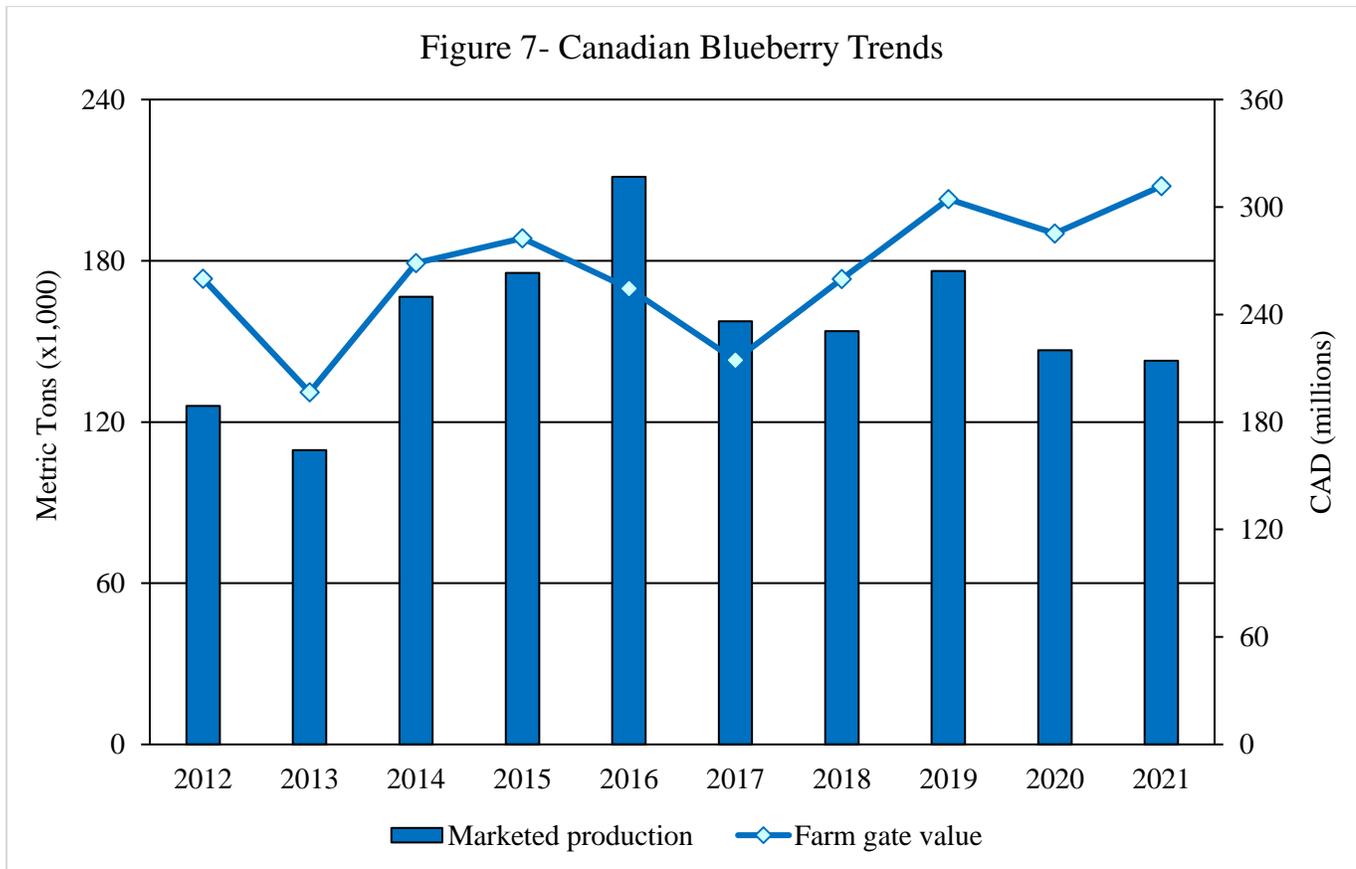


Canadian Wild Blueberry Production by Province



Source: Statistics Canada

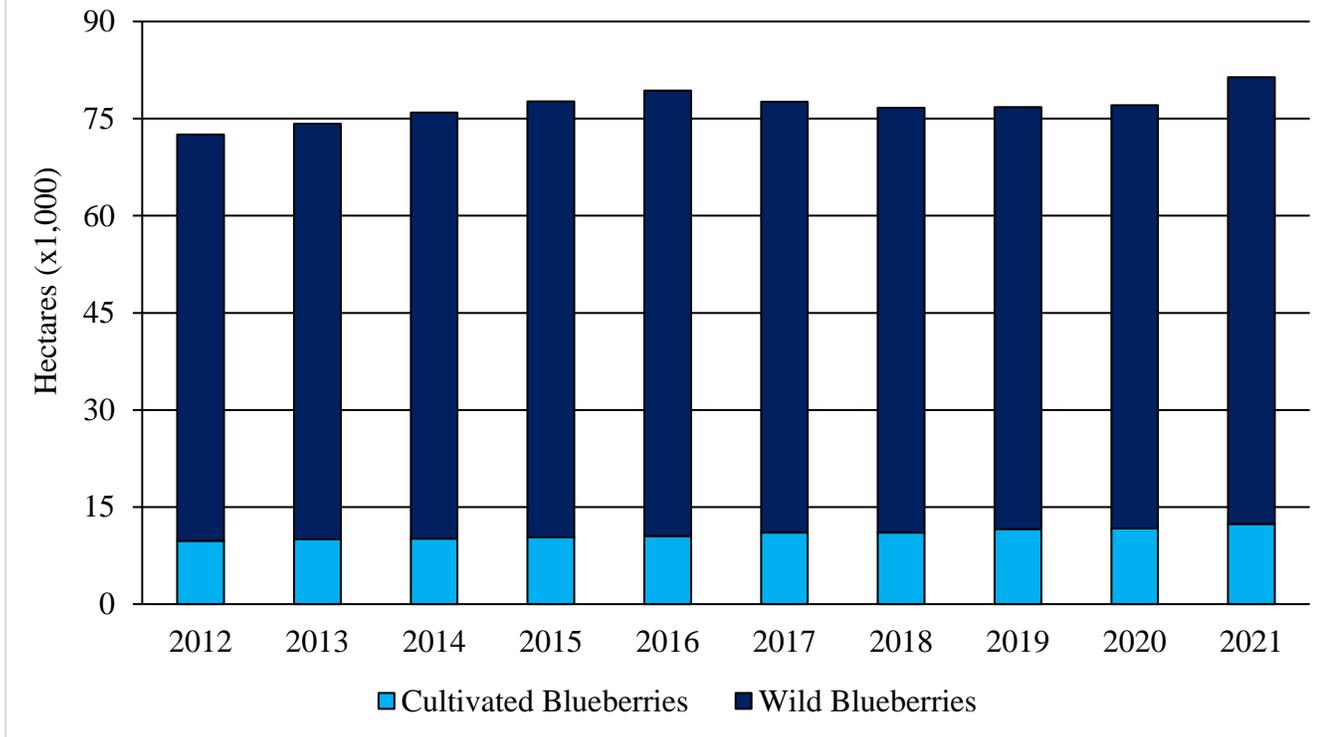
While BC is the dominant production region for blueberries by marketed production, acreage in Eastern Canada is significantly larger than BC in terms of growing area. On average, cultivated blueberry acreage comprises 15 percent of total Canadian blueberry acreage with wild blueberry acreage at 85 percent. This is owing to the differences in production and management practices between the two types of blueberries. Cultivated production is more densely concentrated and higher yielding with larger production volumes on a smaller footprint of land. Also, cultivated fruits annually while wild production is on a biennial cycle with the plants fruiting every other year. This leads to larger acreage for wild blueberries but bearing area will vary every year depending on the production cycle.



Source: Statistics Canada

Across the past decade, Canadian blueberry production has varied due to weather events, pricing impacts from growth in global production, recent labor and supply chain impacts, and impacts from the COVID-19 pandemic. Strong production in blueberries in the mid-2010s, both in Canada and globally, contributed to significant pricing declines. Canada reached peak production in 2016. Production levels have settled lower following the 2016 peak as acreage, mainly wild blueberries, was reduced as prices fell below the cost of production. Recently, acreage is expanding, especially wild blueberry acreage, as consumer demand grows and prices have increased. Reported 2021 acreage is the largest in the past decade.

Figure 8- Canadian Blueberry Production Area



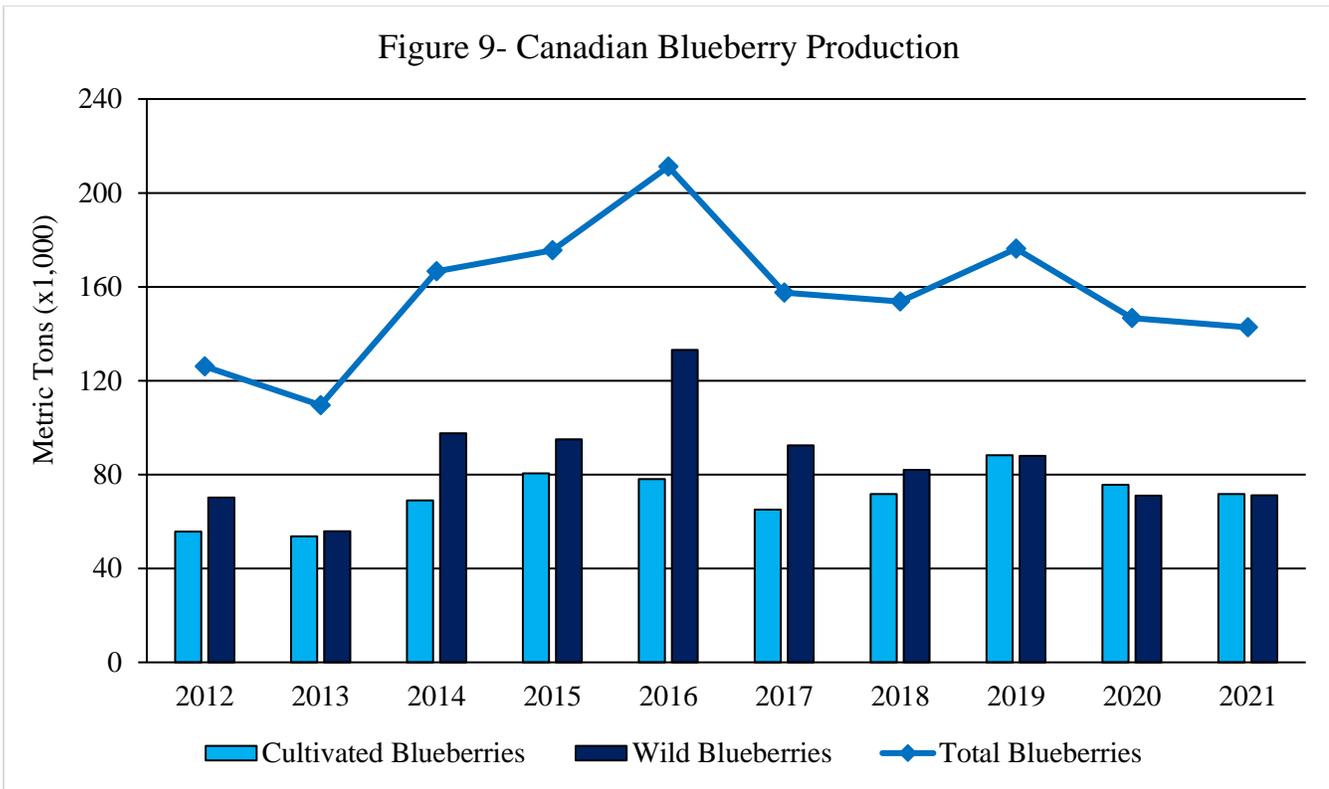
Source: Statistics Canada

Cultivated acreage has grown faster than wild blueberry acreage. From 2012 to 2021, Canada added approximately 2,600 hectares of cultivated blueberries with planted acreage experiencing steady growth year-over-year. This increase in planted acres represents a 27 percent growth in the production area of cultivated blueberries over the past decade.

Comparatively, wild blueberry acreage expanded from 2012 to 2016 before declining for three straight years. Acreage decline was driven by a global blueberry surplus driving prices below the cost of production. Acreage expanded slightly in 2020 with a further increase of just under 4,000 hectares seen in 2021. Acreage growth from 2012 to 2021 is ten percent.

Comparing 2012 to 2021, the total Canadian blueberry crop grew 13 percent larger by production volume. Over the past five-years, total Canadian blueberry production averaged 155,000 metric tons (MT). Production market share for cultivated blueberries has grown since 2012 with cultivated and wild blueberries split 50/50 as a percent of total Canadian production in 2021. While production is variable year-over-year, cultivated blueberry production grew 29 percent from 2012 to 2021. Conversely, wild blueberries saw only one percent growth during the same period, but weather was a significant factor in recent years and low prices had negatively impacted production such that growth in production for wild blueberries is not sustained year-over-year. Expanded wild blueberry acreage from 2019 to 2021 suggest that wild production volumes should grow, assuming conducive growing conditions.

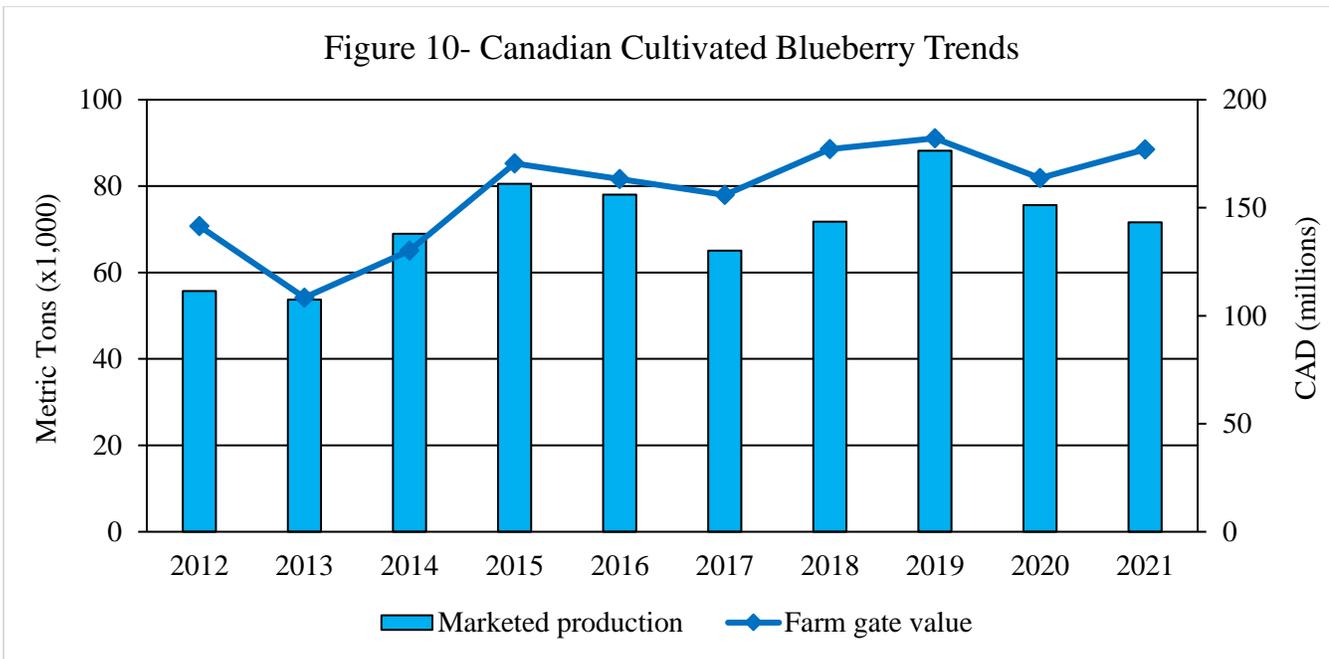
Figure 9- Canadian Blueberry Production



Source: Statistics Canada

**Cultivated Blueberry Production**

Figure 10- Canadian Cultivated Blueberry Trends



Source: Statistics Canada

Weather and pandemic challenges negatively affected Canada's cultivated blueberry production in 2020 and 2021. Despite a significant flooding event in one of the main blueberry production areas of BC in late 2021, growers were reportedly able to mitigate damage by stumping (cutting flooded rows), avoiding long-term damage to plants and substantial re-planting. However, these acres will not have produced in 2022, as they remain in recovery management from the 2021 flood and will not be in production again until 2023. This will impact 2022 production numbers, but quality is reportedly decent. Additionally, a cold and wet spring negatively impacted blueberry bloom and, coupled with disease challenges, cultivated production is likely to be down in 2022. Disease stress on plants is also anticipated to carry over to 2023 with growers expecting 2023 production to also be reduced. Return to production of flooded acres may help to offset this though.

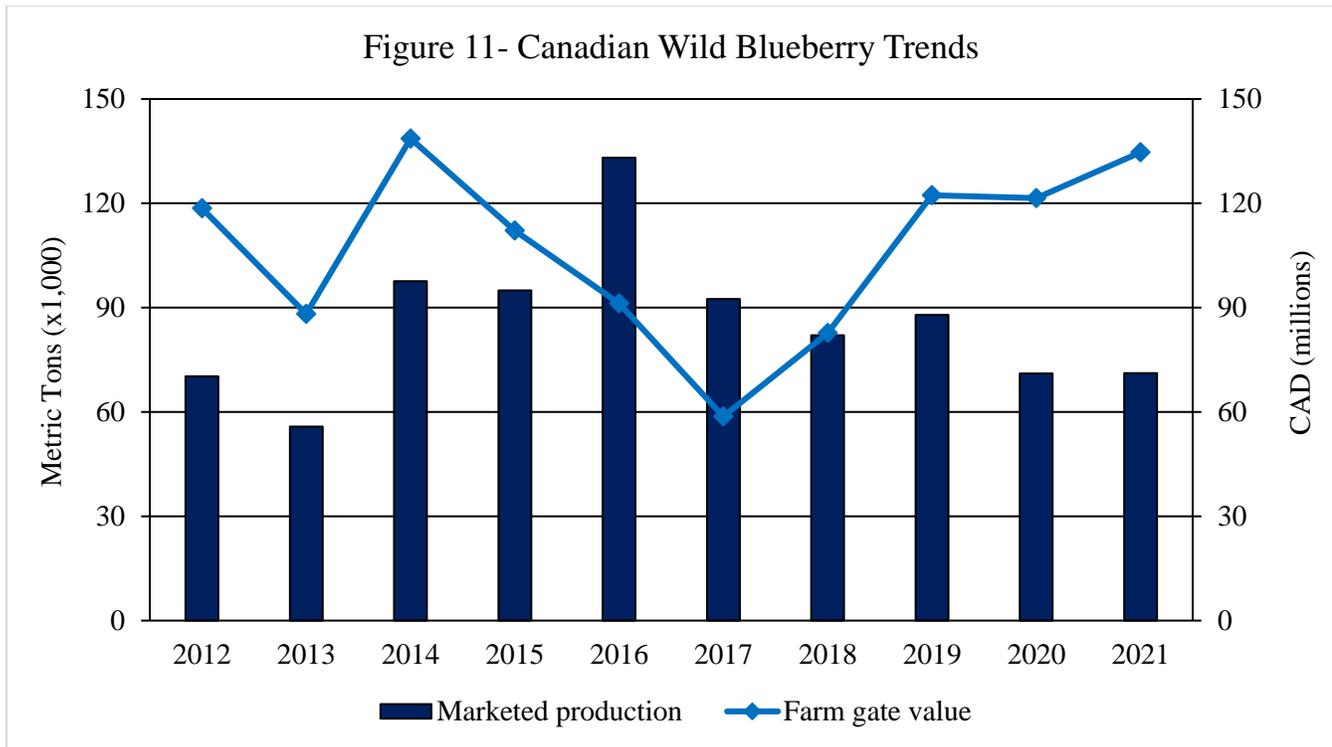
BC growers report two major challenges to expanding cultivated blueberry production. Firstly, land costs in BC are extremely high. While the province has an agricultural land protection zone, the Agricultural Land Reserve (ALR), this is currently a finite land area and, despite restrictions around non-agricultural uses, land prices remain high. Approximately half of BC's population is in Vancouver and surrounding areas in the south of the province, an area also conducive to cultivated blueberry production. BC blueberry acreage is privately held, while wild blueberry acreage in Eastern Canada is on a mixture of Crown land<sup>2</sup> and privately held farms. This can place blueberry production areas and urban expansion in conflict, especially outside of the protected area of the ALR.

The second challenge BC growers have highlighted is issues with pollination. Canada has experienced significant bee losses in recent years and restocking has been challenged due to pandemic disruptions to transport. Canada currently restricts packaged bee imports to those imported from Australia, Chile, and New Zealand, and Ukraine was just approved in January 2023. Most packages come by air from Australia and New Zealand. Pandemic-related air travel disruptions in 2020 and 2021 made it difficult to obtain packages from these two countries. BC blueberry growers feel that production could potentially be 30 percent higher if they were able to obtain appropriate pollination services.

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<sup>2</sup> In Canada, public lands are referred to as Crown land. Crown land may be federal or provincial/territorial depending on which level of government has jurisdiction for the administration of the land. Crown land leased for blueberry production will generally be provincial Crown land.

## Wild Blueberry Production 2022



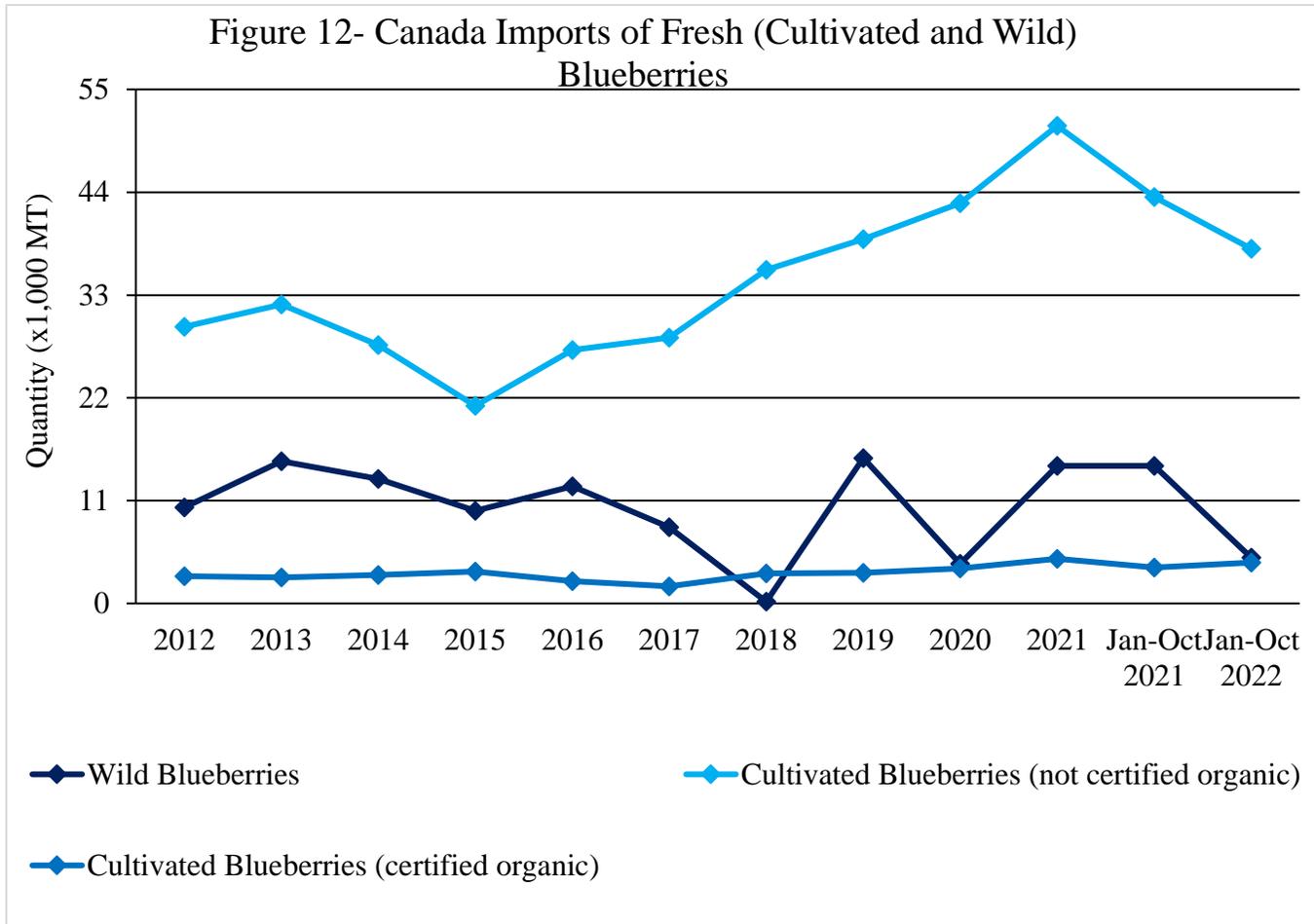
Source: Statistics Canada

Canada is anticipating a rebound on wild blueberry production from the 2022 crop driven by expanded acreage and improved growing conditions. However, as with cultivated blueberries, wild blueberry growers have reported that production is constrained due to availability of pollinators. As with BC, growers in Eastern Canada have faced increasing challenges in securing pollinators amongst high levels of over winter bee losses. Growers report that while they would ideally have three hives per acre at peak bloom, some are struggling to achieve one or fewer hives per acre in certain regions of Eastern Canada. Due to pollinator limitations, costs of pollinator services have also increased while production may be lowered by as much as 40 percent due to inadequate pollinator numbers.

With improved pricing in recent years, wild blueberry acreage has expanded. Nova Scotia has little Crown land in blueberry production, PEI sees acreage expansion as limited but potentially some expansion on Crown land, while New Brunswick and Quebec have the largest amount of blueberry acreage on Crown lands in Canada. Contacts have reported that New Brunswick sees the potential to add 25,000 more acres to wild blueberry production over the next 20 years. Nova Scotia and PEI also see acreage expansion opportunities although on a more limited scale. However, costs remain a factor for increasing wild blueberry acreage in Eastern Canada, whether on private or Crown land. Costs can be as high as CAD 5,000 per acre to clear land in addition to planting and maintenance costs with fields taking four to ten years to become productive depending on the soil.

## Blueberry Trade

### Imports



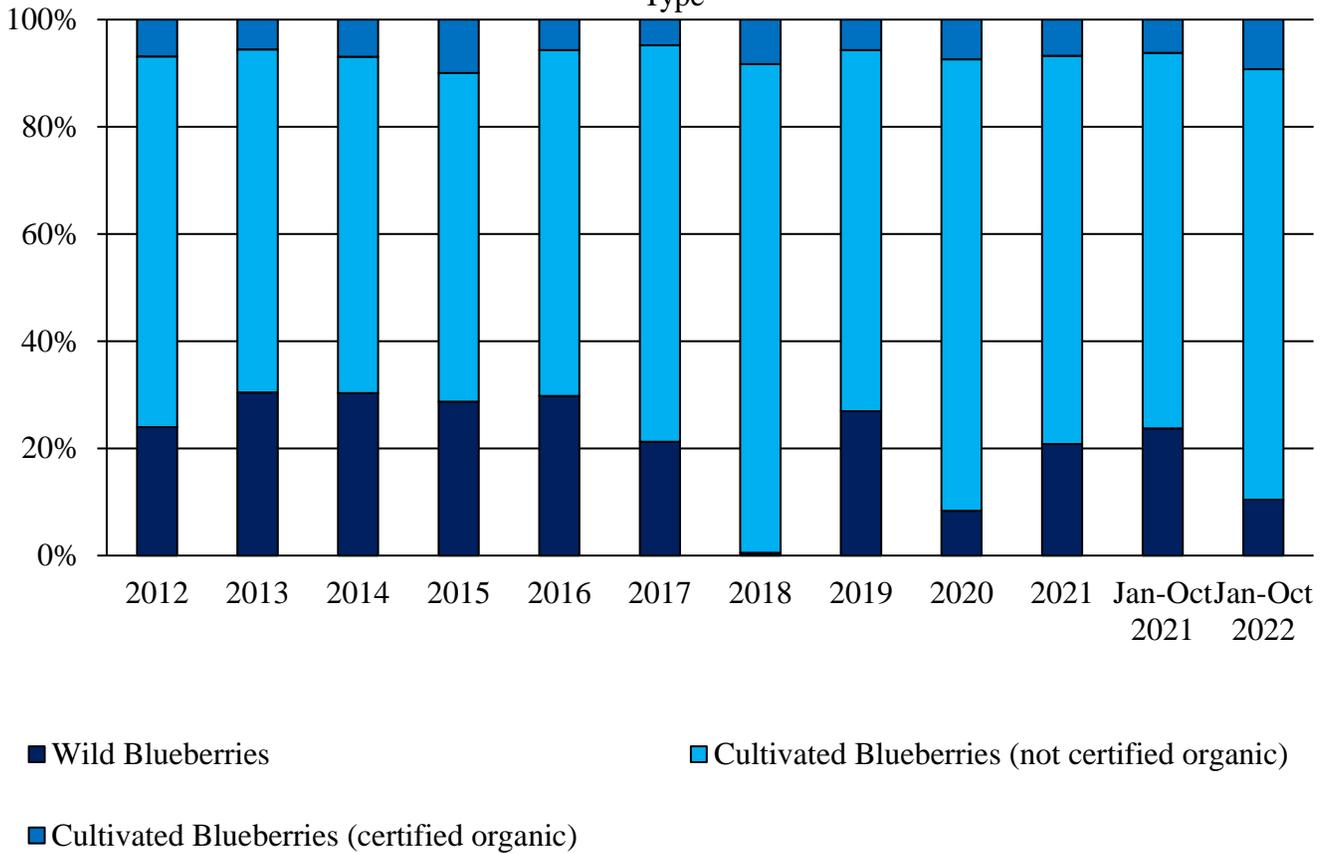
Source: Trade Data Monitor, LLC

Most Canadian imports of fresh<sup>3</sup> blueberries are cultivated blueberries, not certified organic, comprising over 60 percent of imported blueberries by weight. Cultivated imports have been steadily rising since 2015. However, year-to-date (YTD)<sup>4</sup> imports of fresh blueberries into Canada are down 38 percent. This is likely a result of multiple factors including transport and supply chain challenges, consumer demand and inflation, and increased domestic production.

<sup>3</sup> Fresh refers to fresh or chilled cultivated or wild blueberries but excludes all frozen.

<sup>4</sup> YTD for the purposes of this report is January through October 2022.

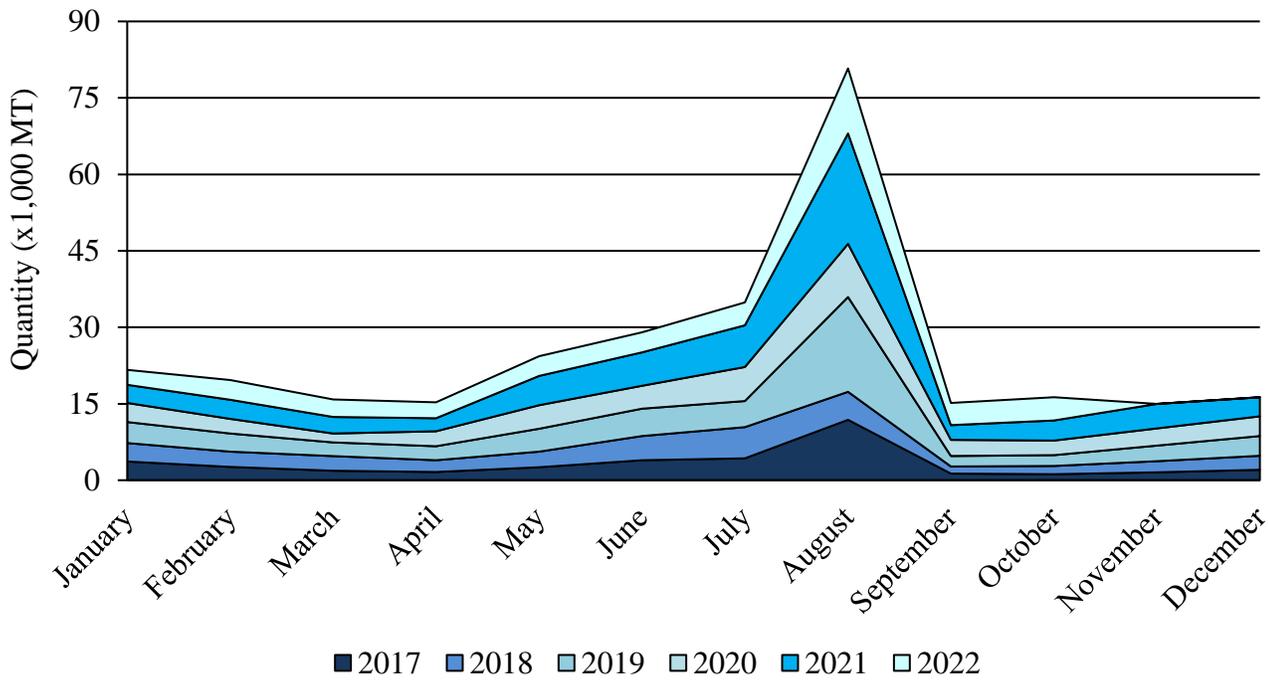
Figure 13- Canada Imports of Fresh (Cultivated and Wild) Blueberries Percent by Type



Source: Trade Data Monitor, LLC

The majority of Canada’s fresh blueberry imports, by weight, occur in August. This coincides with harvest timing of Canada’s main trade partners, primarily the United States, but also times to the start of the main harvest in Canada. The bulk of Canadian blueberries are harvested from late July to early September, with early varieties harvested in early July and potentially extending into October, weather permitting.

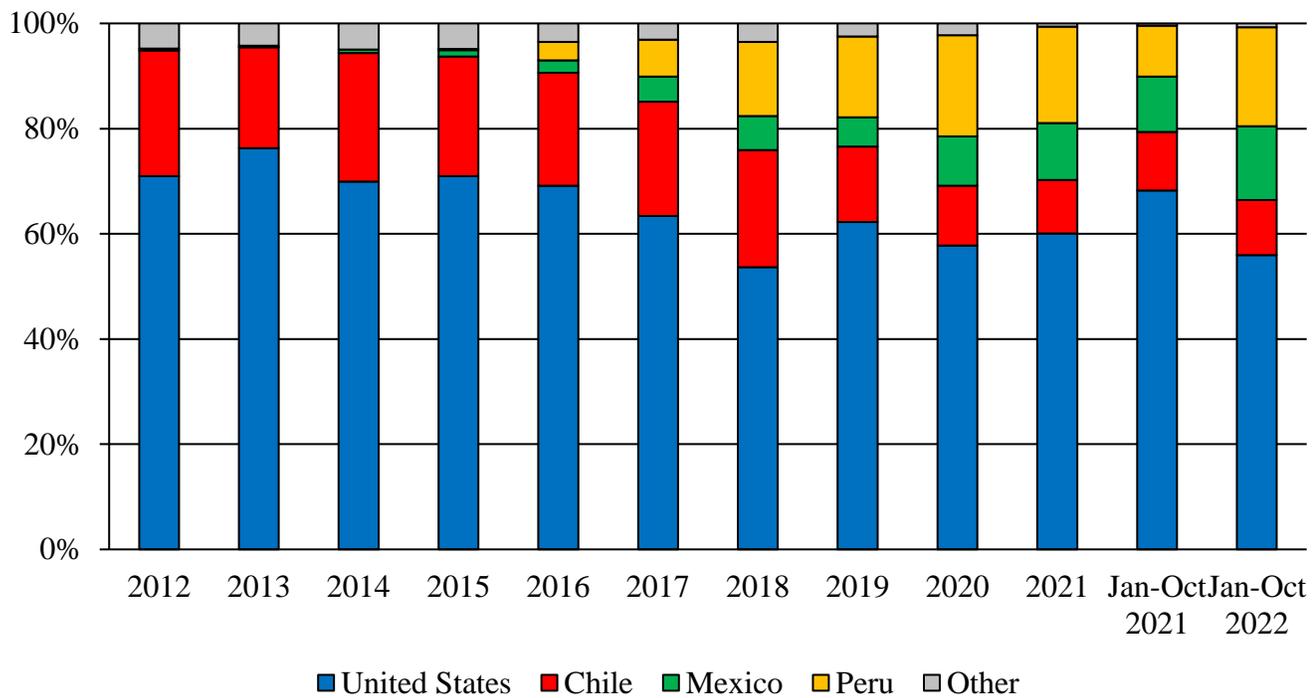
Figure 14- Canada Imports of Fresh Blueberries (Wild and Cultivated, Certified Organic and Not Certified Organic) by Month



Source: Trade Data Monitor, LLC

The United States is the dominant source market for Canada’s imports of fresh blueberries. Of total fresh blueberry imports, the U.S. market share has averaged more than 65 percent over the past decade. However, recent years have seen U.S. blueberries face increasing competition for market share from Mexico and Peru and, over the past five-years, U.S. market share has averaged just under 60 percent. Imports of fresh blueberries from Peru grew from 0 MT in 2014 to 12,920 MT in 2021.

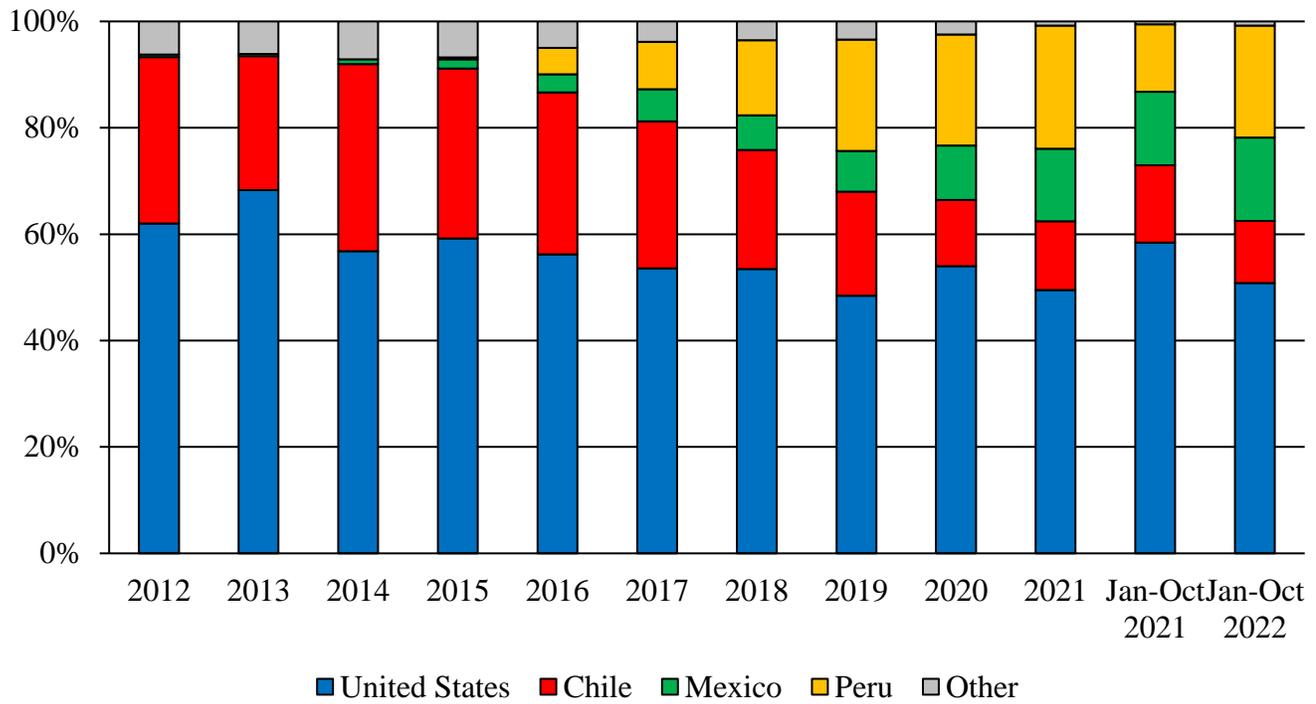
Figure 15- Canada Imports Of Blueberries (Fresh, Cultivated and Wild, Certified Organic or Not Certified Organic) by Trade Partner



Source: Trade Data Monitor, LLC

Amongst Canada’s fresh cultivated blueberry imports, the United States is also the main source market. Since 2012, U.S. market share has averaged just over 56 percent. However, over the past five years, market share average has declined to 52 percent as imports from Peru and Mexico have expanded. The decline in total market share for fresh U.S. blueberries is the result of declines in imports of fresh U.S. cultivated blueberries as well as increased imports into Canada of fresh cultivated blueberries from other markets, primarily Peru and Mexico. Despite this trend in declining market share, U.S. exports of fresh blueberries are increasing by weight as Canada has increased import quantities in recent years, with 2021 as the top year. Larger import quantities of U.S. wild blueberries were a contributor in 2021, a result of adverse weather impacts to the Canadian wild blueberry crop. Industry feels that increased import volumes of cultivated blueberries from Peru and Mexico will be supported by lower pricing relative to Canadian and U.S. blueberries.

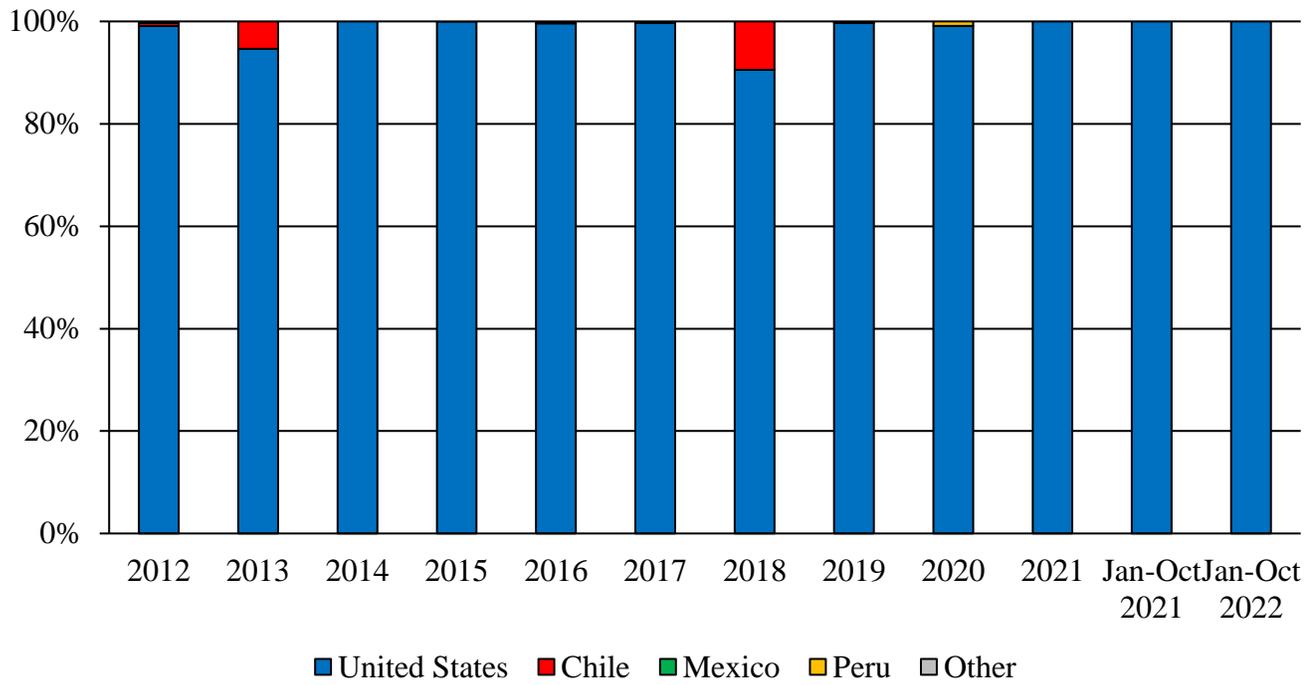
Figure 16- Canada Imports Of Cultivated Blueberries (Fresh, Certified Organic Or Not Certified Organic) by Trade Partner



Source: Trade Data Monitor, LLC

The United States continues to be the dominant source market for Canada’s imports of fresh wild blueberries. As Canada and the United States are the largest producers of wild blueberries globally, Canadian domestic production will continue to compete against U.S. imports. Wild blueberry import demand is typically tied to processing demand, reduced during high production years in Canada. The increased wild blueberry acreage reported by Statistics Canada could indicate a coming period of lower import demand as Canadian production should subsequently rise with increased acreage. However, this will ultimately be dependent on weather, labor challenges, and pollinator availability. In Eastern Canada, the blueberry industry is also integrated with the U.S. blueberry industry in Maine, with blueberries moving across the border in either direction depending on production and processor needs.

Figure 17- Canada Imports of Wild Blueberries (fresh) by Trade Partner

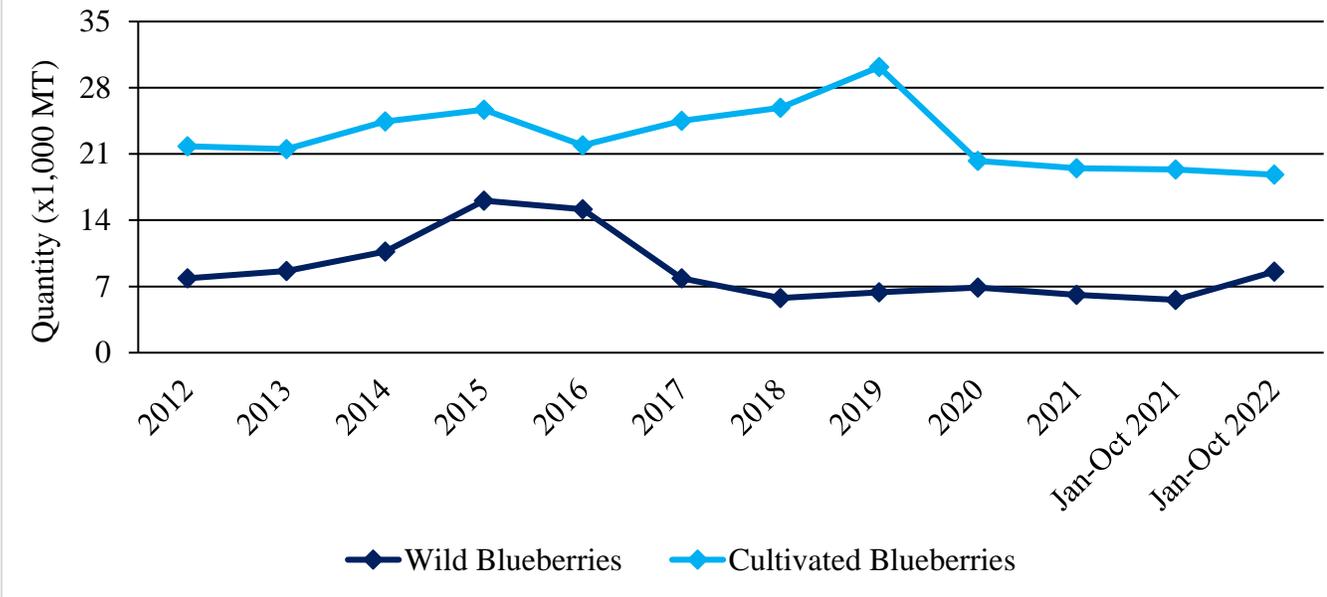


Source: Trade Data Monitor, LLC

## Exports

Based on the 10-year average from 2012-2021, Canada exports approximately 21 percent of its annual blueberry production as fresh exports; 34 percent of cultivated production and 11 percent of wild production. Canada had been steadily growing fresh cultivated blueberry exports from 2015 before the COVID-19 pandemic caused significant disruption. The percent of cultivated production exports dropped from 34 percent in 2019 to 27 percent in 2020 and 2021. Increased domestic demand was a positive benefit for growers during the pandemic as Canadians increased their purchasing of fresh Canadian-grown produce.

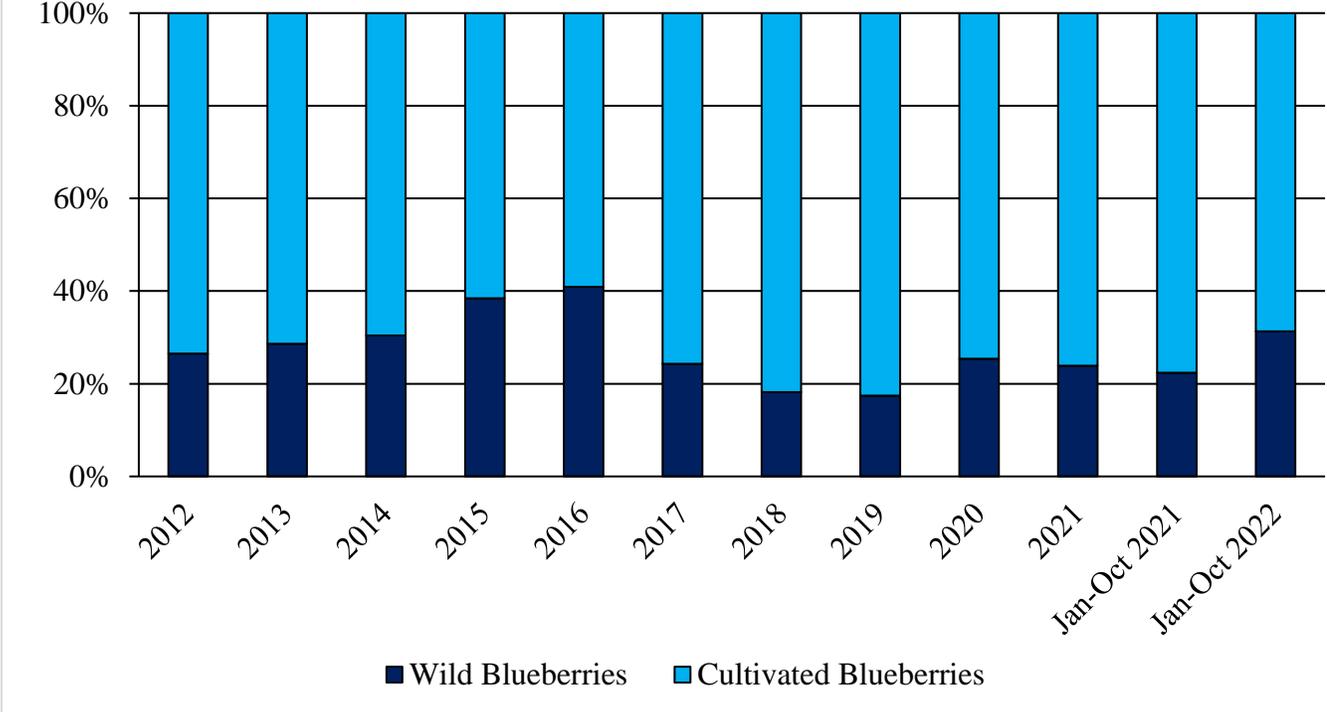
Figure 18- Canada Exports of Fresh Blueberries



Source: Trade Data Monitor, LLC

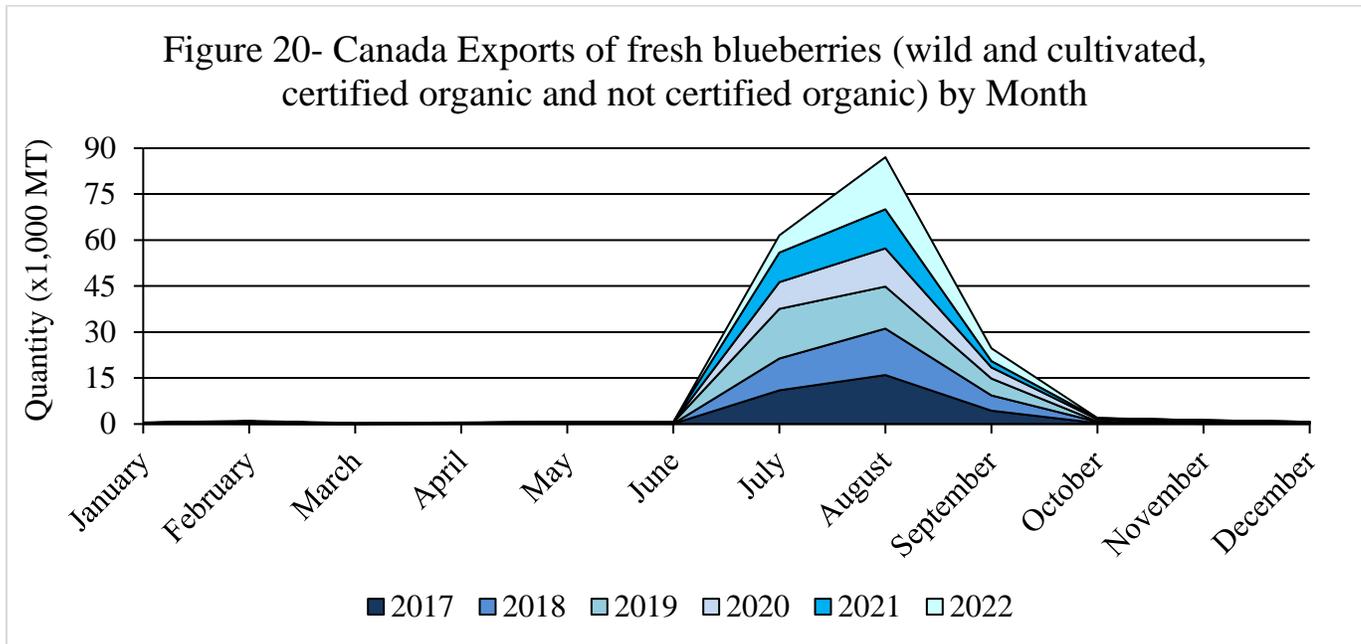
Cultivated blueberries comprise the majority of Canada’s fresh exports by weight. Both cultivated and wild blueberry fresh exports are almost entirely destined for the United States. Over 99 percent of Canada’s fresh cultivated exports are to the United States.

Figure 19- Canada Exports of Fresh Blueberries Percent by Type



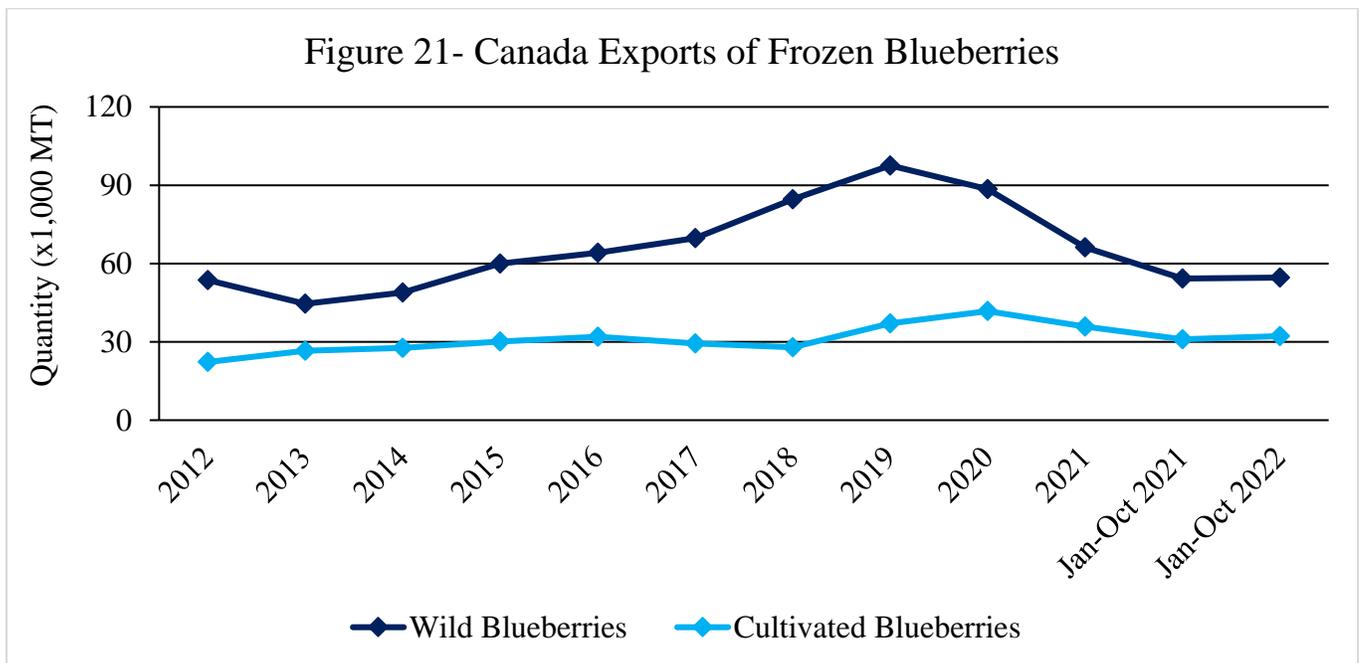
Source: Trade Data Monitor, LLC

Canada's fresh exports are highly concentrated in July, August, and September months with export activity peaking in August. This correlates to the main harvest season for both wild and cultivated blueberries in Canada.



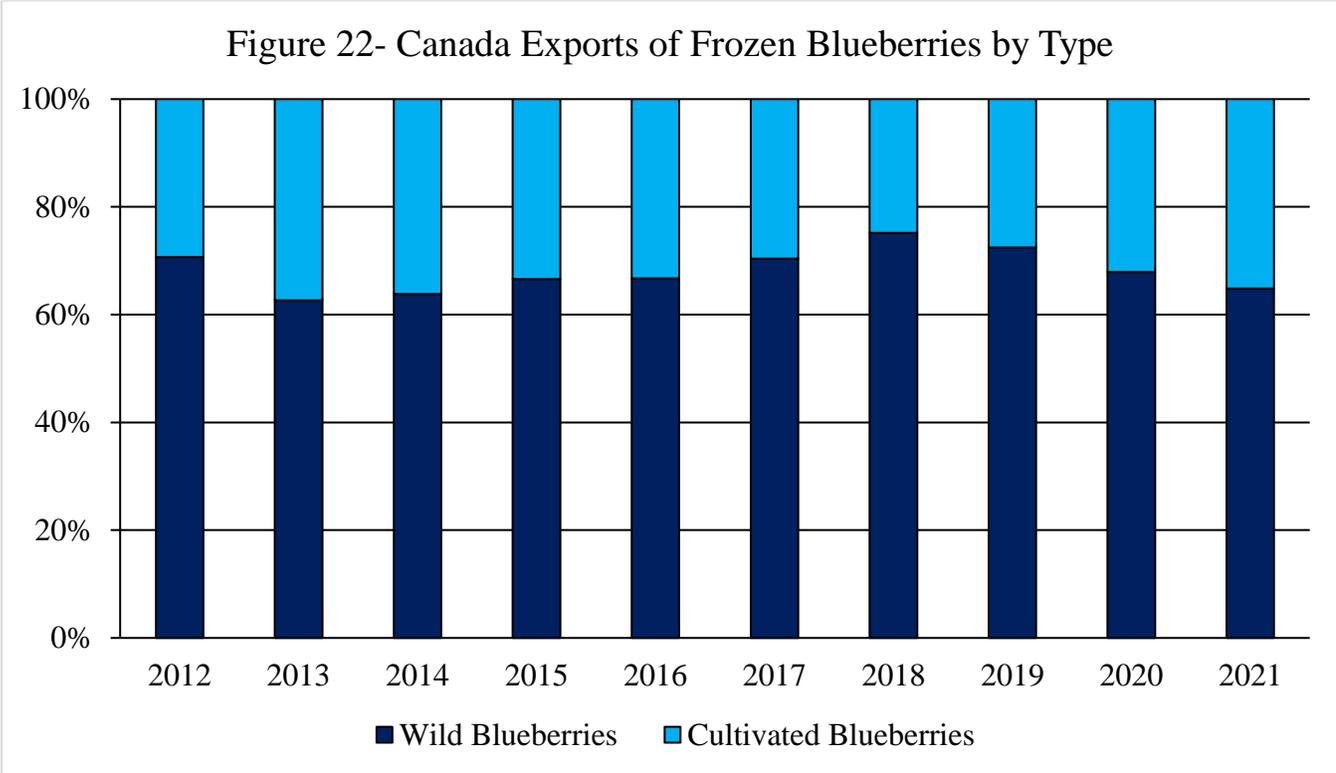
Source: Trade Data Monitor, LLC

The majority of Canada's blueberry export activity, by quantity, is in frozen blueberries. Quantity of frozen exports are over double fresh exports and trade is more diversified compared to fresh blueberry exports, especially for exports of frozen wild blueberries.



Source: Trade Data Monitor, LLC

As with fresh blueberries, exports of frozen blueberries have been in decline since 2019. This trend is most notable amongst frozen wild blueberry exports which form the bulk, over 60 percent, of Canada’s frozen blueberry exports. However, volume of frozen cultivated blueberries exported grew in 2020, contrary to the trend observed for wild exports. COVID-related labor and supply chain disruptions led to higher volumes of cultivated blueberries going into frozen processing and driving up frozen cultivated exports. While the majority of Canada’s wild production goes to further processing, further processing of cultivated production is more variable as fresh market is the primary destination. In years with surplus cultivated production or suboptimal quality for fresh market, the percent of cultivated production destined for further processed to frozen will increase. Despite lower production volumes for Canada’s cultivated blueberries in 2020 and 2021, pandemic disruptions and quality impacts due to adverse weather events in the primary cultivated blueberry producing region in BC, contributed to more frozen cultivated blueberries as a percent of production. While higher production level years see a greater volume of cultivated production being further processed to frozen in Canada, growers will preferentially try to move product to the higher value fresh market.

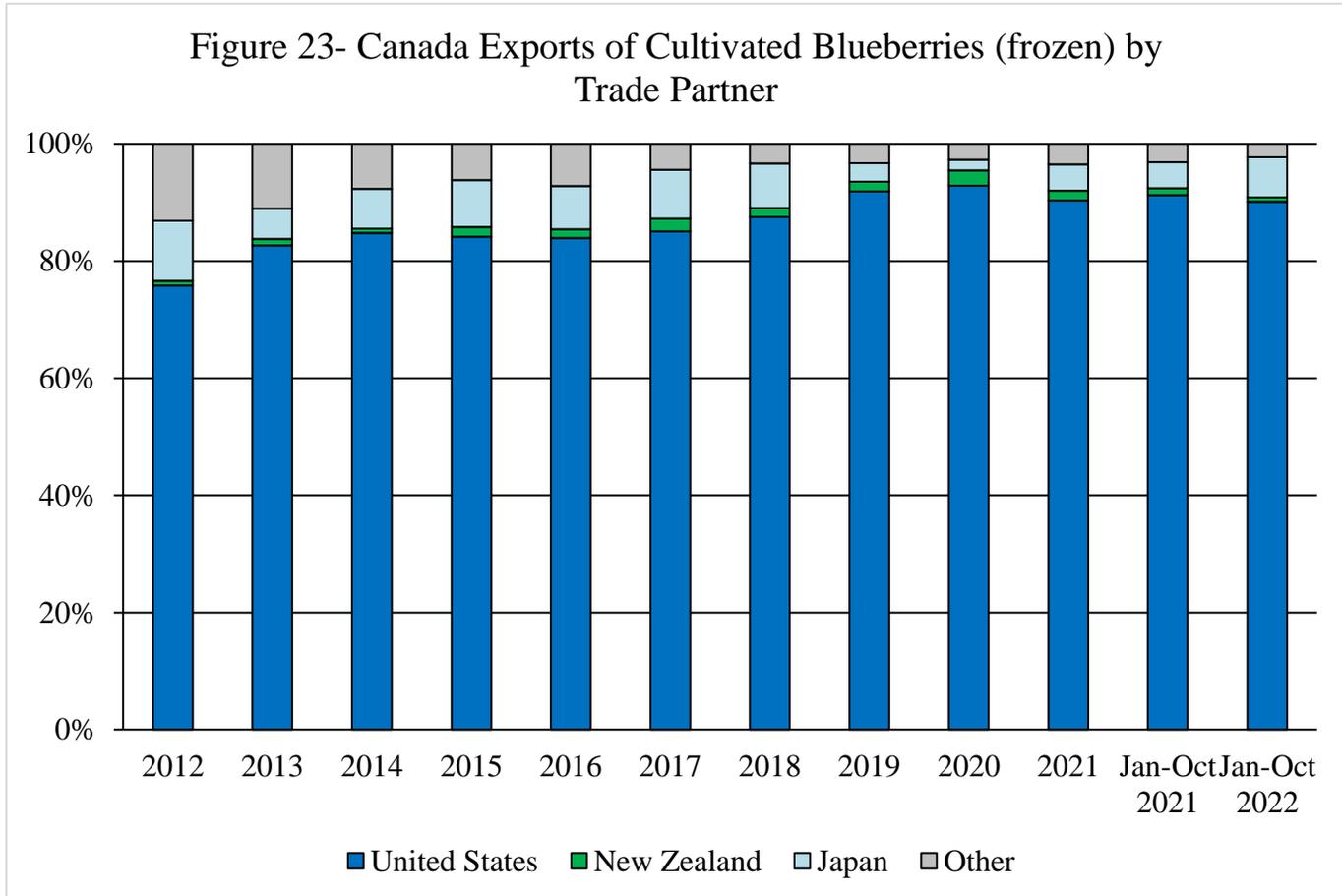


Source: Trade Data Monitor, LLC

Given that frozen production has a longer shelf-life compared to fresh, it is more difficult to estimate percent production to frozen as there will be carry over volumes from the previous year. Roughly, it is estimated that, on average, 45 percent of Canada’s cultivated production has been exported as frozen<sup>5</sup> over the past decade with over 50 percent of production exported as frozen in 2020 and 2021. In recent

<sup>5</sup> A conversion factor of 0.97 fresh to frozen weight was used to compare fresh and frozen quantities.

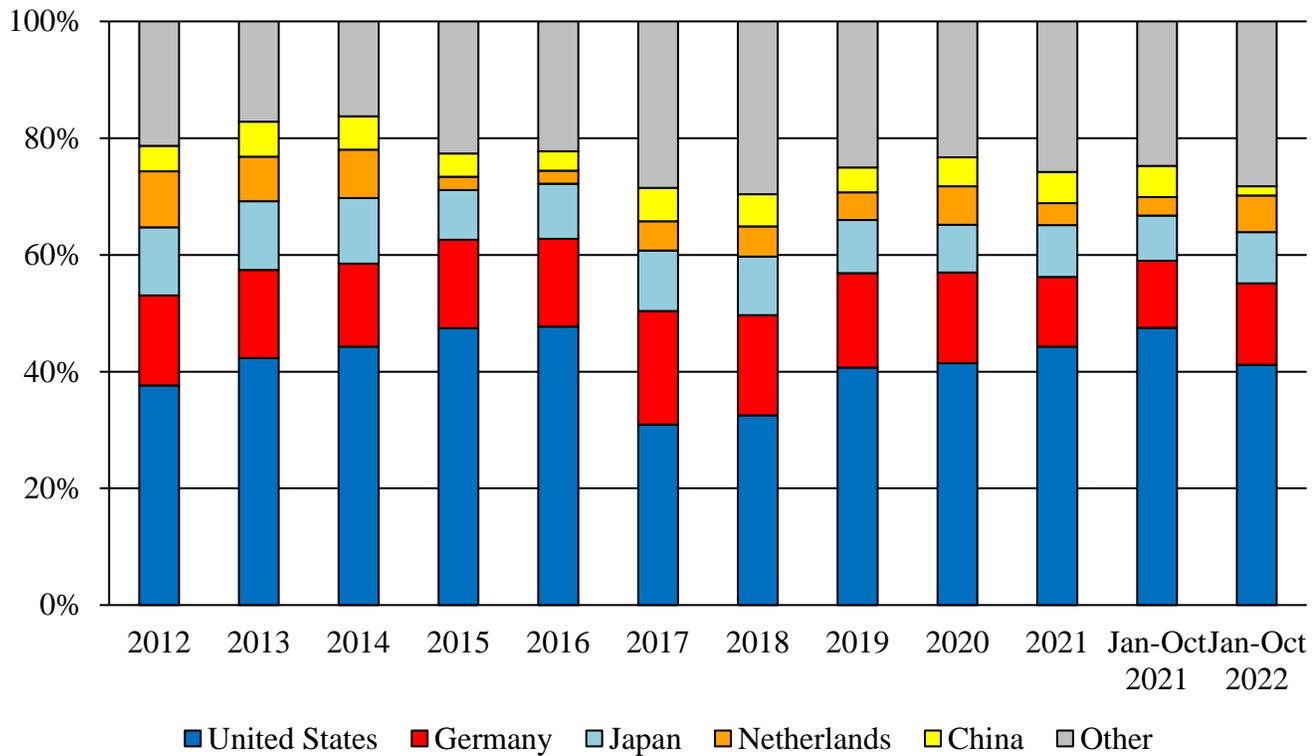
years, estimates of wild production exported as frozen have yielded exports as being greater than 100 percent production. This is likely the result of stocks carrying over from the previous year. Nevertheless, Canada exports a significant percent of wild production as frozen and is the largest exporter of frozen blueberries globally.



Source: Trade Data Monitor, LLC

The United States is the main export market for Canadian exports of frozen cultivated blueberries. U.S. market share has increased to over 90 percent in recent years.

Figure 24- Canada Exports of Wild Blueberries (frozen) by Trade Partner

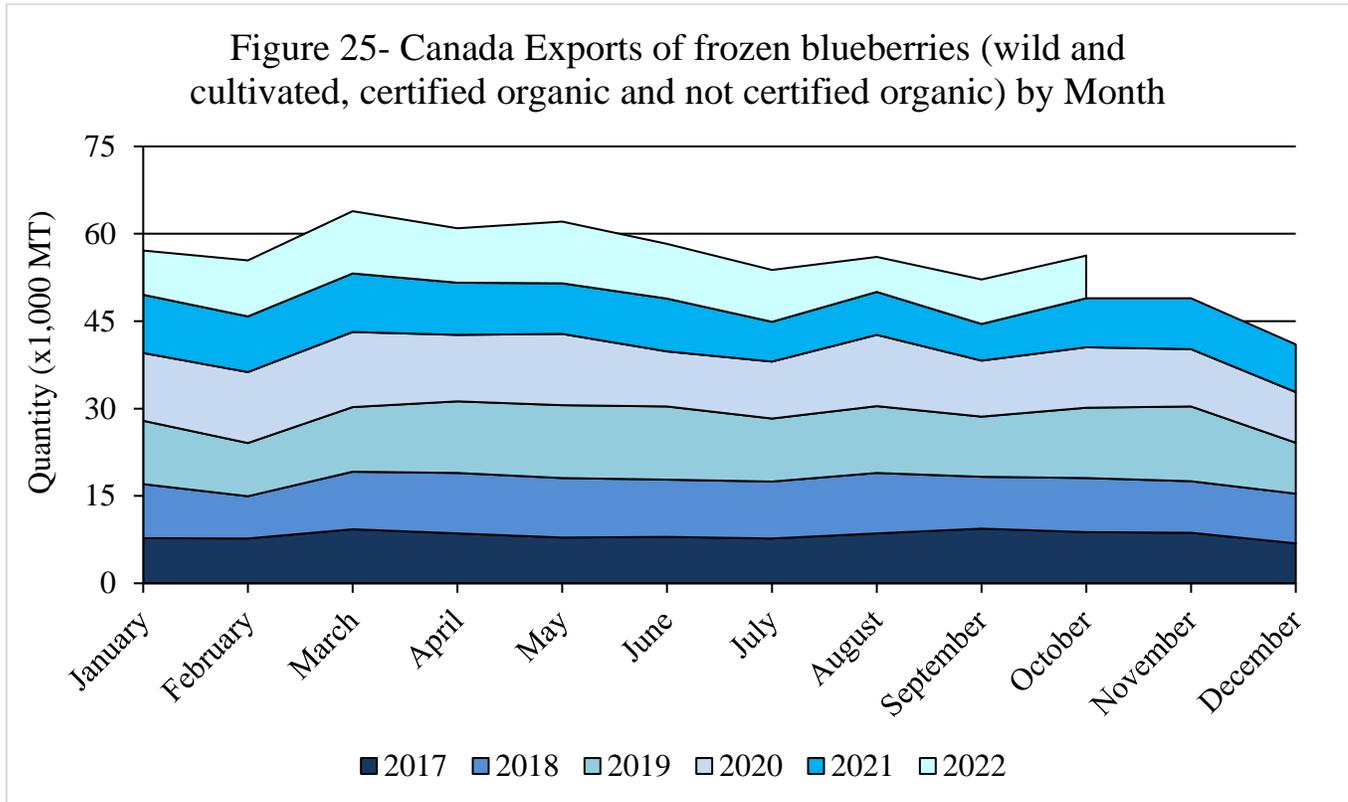


Source: Trade Data Monitor, LLC

While the United States is the main destination for Canada’s exports of frozen wild blueberries, market share of frozen wild exports is significantly lower compared to frozen cultivated blueberries. U.S. market share of Canada’s exports of frozen wild blueberries has averaged 41 percent over the last decade. Canadian exports of frozen wild blueberries to the European Union (EU) saw a positive response to the implementation of the Canada-European Union Comprehensive Economic Trade Agreement (CETA). CETA saw tariffs of 12 percent on Canada’s frozen blueberry exports eliminated with implementation in 2017. EU market share of exports expanded resultingly, although sustained growth has yet to be realized.

With the implementation of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) in December 2018, Canadian frozen blueberry exporters saw tariffs of 9.6 percent on exports to Japan eliminated. Also, tariffs of up to 6 percent on fresh blueberries were eliminated upon CPTPP entry into force. Despite this, Canada has yet to sustainably grow market share of exports to Japan.

China continues to be seen as an opportunity for the frozen blueberry market. Canada also gained market access for fresh blueberries to China in 2015 but has yet to actively partake in market promotion activities in China. COVID-19 disruptions and geopolitical tensions between Canada and China in recent years have limited export expansion as has increased blueberry production in China. While growers still see opportunity in China, they are now less optimistic about that market compared to previous years given Chinese expansion of their domestic blueberry production.



Source: Trade Data Monitor, LLC

Frozen export activity is reasonably steady year-round owing to the nature of the frozen product.

## **Policy**

In [April 2019](#), the Government of Canada announced CAD 1.6 million in funding under the AgriMarketing Program of the Canadian Agricultural Partnership. This funding was provided to the Canadian Division of the Wild Blueberry Association of North America (WBANA Canada) to expand international markets for Canadian wild (low bush) blueberries. The Japan and China markets are expected to be a targeted focus.

In [July 2019](#), the Government of Canada allocated close to CAD 1 million in funds for PEI blueberry processor Jasper Wyman & Son Canada Inc. (a subsidiary of Wyman's of Maine) under the AgriInnovate Program of the Canadian Agricultural Partnership to facilitate export growth, processing capacity and efficiency, and to reduce environmental impact.

In June 2022, the Government of Nova Scotia announced CAD 100,000 for the [Blueberry Pollination Expansion Program](#). The program is jointly funded by the province and Government of Canada under the Canadian Agricultural Partnership. There are two streams of expenses with growers eligible to receive up to CAD 100/hive for new hives to a maximum of a 25 percent increase from hives used for pollination in 2021. The second stream provides 50 percent cost share on eligible expenses related to improving bee productivity and efficiency in 2022.

## **Attachments:**

No Attachments.