

Ontario Processing Vegetable Growers

435 Consortium Court, London, Ontario N6E 2S8
Web Site: www.opvg.org

Tel.: (519) 681-1875
E-mail: opvg@opvg.org

Fax: (519) 685-5719

NEWSLETTER

Nº 3 - 2001

March 13, 2001

2001 CROP NEGOTIATIONS

TOMATOES

Agreements have now been reached with Heinz, Nabisco and Sun-Brite on prices and terms and conditions of sale for the 2001 crop of tomatoes for processing. Contract prices declined by 4% for tomatoes for paste and 2% for whole pack and juice. There were no other major contract changes.

AgriCorp has now finalized 2001 crop insurance details for tomatoes. Grower coverage can be calculated by multiplying his five-year average yield by the 107% trend factor by 90% coverage by the \$85.00 price per ton. The 2001 premium has increased over 25% to \$41.80 per acre. The premium discount surcharge still applies.

GREEN & WAX BEANS

Agreement has been reached with Cobi Foods Inc. and Strathroy Foods Limited. Prices agreed to in 2001 are as follows:

	2000	2001	
Whole Beans	\$210.00	\$210.00	the first 2.0 tons/acre
	\$170.00	\$170.00	all tons between 2.0 & 3.0 tons/acre
	\$110.00	\$110.00	each ton over 3.0 tons/acre
Cut Beans	\$155.00	\$153.45	the first 2.5 tons/acre
	\$115.00	\$113.85	all tons between 2.5 & 4.0 tons/acre
	\$90.00	\$89.10	each ton over 4.0 tons/acre

Contracts remain net of seed. Where growers exceed the recommended planting rate, the applicable seed cost charges increased from \$2.00 to \$2.10 per pound for cut bean seed and from \$2.75 to \$2.85 for whole bean seed.

SQUASH

Agreement was reached with Cobi Foods Inc. and Omstead Foods Limited on the 2001 price for butternut squash at \$94.50 per ton bulk, up from \$89.50 in 2000.

The price of seed increased to \$68.00 per pound compared to \$40.00 per pound in 2000.

CABBAGE

Agreement was reached with Strub Brothers Ltd. for an increase of approximately 3% in the price of cabbage. Price per ton for bulk deliveries increased from \$68.00 to \$70.00. There were no other contract changes.

LIMA BEANS

Agreement was reached with Cobi Foods Inc. on the 2001 price for lima beans at \$465.00 per ton up from \$461.00 in 2000. There were no other contract changes.

CARROTS

2001 carrot negotiations concluded on March 6th with agreement on all issues except price. The grower arbitration position is for a four percent increase in price in all categories. The processor position is for last year's price.

..... over

2001 CROP NEGOTIATIONS (continued)

CAULIFLOWER

TIED - 2001 cauliflower negotiations concluded on March 7th with agreement on all issues except price. The grower arbitration position is for a two percent increase on both grade no. 1 and grade no. 2 cauliflower. The processor position is for a one-half percent increase on grade no. 1 and last year's price on grade no. 2.

UNTIED - Untied cauliflower settled with Omstead Foods Ltd. at a 1½% increase. Number 1 grade settled at \$339.30 per ton compared to \$334.30 in 2000. Number 2 grade settled at \$149.00 per ton compared to \$146.81 in 2000.

PEPPERS

Agreement was reached with Omstead Foods Ltd. on the price of bell peppers and Bick's on the price of banana peppers for 2001 as follows:

	2001	2000
• Green Bell Peppers increased 1.8% to	\$278.00	\$273.00
• Red Bell Peppers increased 2.2% to	\$378.00	\$370.00
• Multicoloured Bell Peppers remained unchanged at	\$247.00	\$247.00
• Banana Peppers - Hot/Sweet increased 2% to	\$344.50	\$337.75

Plant costs increased to \$24.00 per thousand for 288's and to \$34.00 per thousand for 200's.

NISA GROSS-UP VALUES - 2000 STABILIZATION YEAR

As in previous years, gross-ups of certain costs are permitted as follows:

	SEED	SPRAY	HARVESTING	'00 LICENCE FEES	TOTAL
SWEET CORN	\$ 5.78	\$ 3.40	\$ 9.42	\$ 0.79	\$ 19.39
GREEN & WAX BEANS	\$ 36.30	\$ 3.35	\$ 39.14	\$ 2.00	\$ 80.79
GREEN PEAS - POD STRIPPER	\$ 71.50	--	\$ 91.67	\$ 3.32	\$ 166.49
LIMA BEANS	\$ 46.20	--	\$ 92.70	\$ 5.05	\$ 143.95
TOMATOES	--	--	--	\$ 1.40	\$ 1.40
CUCUMBERS	--	--	--	\$ 2.40	\$ 2.40
CARROTS	--	--	--	\$ 0.83	\$ 0.83
PEPPERS	--	--	--	\$ 2.40	\$ 2.40
BEETS	--	--	--	\$ 2.10	\$ 2.10
SQUASH	--	--	--	\$ 0.71	\$ 0.71
CABBAGE	--	--	--	\$ 0.58	\$ 0.58
CAULIFLOWER	--	--	--	\$ 3.65	\$ 3.65
PUMPKIN	--	--	--	\$ 0.69	\$ 0.69

ALL VALUES ARE PER TON, NET OF G.S.T.

Note that growers continue to be required to only deduct a portion of their seed and seedling purchases when calculating Eligible Net Sales. Growers should ensure that these purchases (or gross-ups, in the case of sweet corn, green peas, lima beans, and green beans) are included in their NISA reporting. Growers need only deduct 30% of their seed purchases and 70% of their seedling/plant purchases.

If you require further information, you can contact NISA directly at 1-800-665-6472. The deadline for NISA deposits and withdrawals is December 31st.

The non-penalty application deadline for the 2000 stabilization year is June 15th, 2001, for individuals and June 30th, 2001 for corporations and co-operatives. The final application deadline for both individuals and corporations and co-operatives, subject to a reduction in deposit entitlements is December 31st, 2001.