

# Ontario Processing Vegetable Growers

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## NEWSLETTER

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### NEGOTIATION UPDATE

#### TOMATOES

First round tomato negotiations ended March 1<sup>st</sup> resulting in an agreement reached with Kraft and Sun-Brite at -1% on whole peel and -3% on paste. Negotiations with Heinz resulted in arbitration. The final offers of both parties are outlined as follows:

Option 9:	<u>Agtron Colour Level</u>	Grower Final Offer		Heinz Final Offer	
		<u>Price/Ton</u>		<u>Price/Ton</u>	
		Juice	Paste (-3%)	Juice	Paste (-4%)
	0-37	\$105.60	\$87.14	\$105.60	\$86.25
	38-39	\$95.32	\$78.66	\$95.32	\$77.85
	40+	\$85.12	\$70.26	\$85.12	\$69.53

Also included in the grower final offer is the deletion of clause 2(c) referring to premiums on early and late contracts which are not included in quota and a revision to clause 9(b) as follows:

- 9 (b) A processor, after having received 75% of the growers contract tonnage, may elect to reduce to 10% the quota commitment in clause 9(a) by specifying his intention to do so on every growers annual contract in consideration of a premium of 50¢/ton payable November 15 on all contract tons delivered.

Both Kraft and Sun-Brite have agreed to these clause revisions for 2005. The Heinz final offer requested no change to any clauses in the 2004 Agreement.

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**PEPPERS**

Agreements have been reached with Omstead Foods and Smucker Foods of Canada Co. (subject to processor licence approval) at no change in price for 2005 as outlined below:

	<b><u>Price Per Ton:</u></b>
Bell Type Peppers: Green:	\$289.50
	Red: \$393.00
	Multicoloured: \$253.00
Banana Type Peppers: Hot:	\$357.75
	Sweet: \$357.75

There were no other major contract changes.

**CABBAGE**

Agreement was reached on late cabbage at \$73.50 per ton delivered in bulk. This is a 50¢/ton decrease from 2004. There were no other contract changes.

**CARROTS**

Negotiations with Campbell Company of Canada, Family Tradition Foods (Tecumseh) Inc., Omstead Foods Limited and Strathroy Foods Limited resulted in arbitration. The processor final offer is -3% decrease on all price categories with no other contract changes. The final offer of the growers is -5½% on all price categories with no tare, a premium for crowning and a 2% price increase on storage.

Further explanation of the grower final offer will be sent in a mailing to all carrot growers.

**BUTTERNUT SQUASH**

Agreement was reached with Omstead Foods Limited and Strathroy Foods Limited. There is no change in price for 2005 at \$95.50 per ton bulk, f.o.b. factory.