

Ontario Processing Vegetable Growers

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NEWSLETTER

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TOMATO ARBITRATION

The tomato arbitration between the board and H.J. Heinz Co. was held on April 13, 2005. The parties were advised on April 19th that the final offer of H.J. Heinz had been chosen by the Arbitrator. As a result the Heinz paste price will drop by 4% from 2004 levels. In addition, with respect to late contracts, the wording that was in the Agreement in 2004 will continue in place for 2005.

CARROT SETTLEMENT

Agreement has been reached by the board and Ontario Carrot processors. Processors have agreed to all of the grading, crowning and pricing provisions contained in the grower final offer. The one exception is the price of storage, which will increase by 1% in 2005. All of the changes to the carrot agreement have been detailed previously in a letter to carrot growers that outlined the board's position.

GROWER HEARING- KEJAY / KEVIN AND JASON STALLAERT

As a result of a Hearing, the board determined that Kejay/Kevin and Jason Stallaert sold carrots to Strathroy Foods in contravention of the provisions of the 2004 Agreement for Marketing Carrots for Processing. As a result, the board imposed sanctions on Kejay/Kevin and Jason Stallaert. The decision of the board is being appealed to the Farm Products Appeal Tribunal.

STRATHROY FOODS

Growers are advised that the board, through legal counsel, served notice on Strathroy Foods Ltd. that, given recent contraventions of the board's contract security regulation, the 2004 Carrot Marketing Agreement and the 2004 Squash Marketing Agreement, any further compliance issues will be directed to the Farm Products Marketing Commission for the purpose of seeking terms and conditions on their licence to process vegetables

COUNTRY PRIDE FRUIT AND VEGETABLE CO. - GREENSHIPPER LICENCE REVOKED

The board has recently received word from Mr. Larry Sitko, principal of Country Pride Fruit and Vegetable Co. that they do not intend to greenship cucumbers in 2005. Accordingly, the board has revoked the greenshippers licence previously issued to Country Pride. As such there are no licenced greenshippers operating in Ontario in 2005.

CROP INSURANCE - TOMATOES

The board has been advised by AGRICORP that the trend factor for 2005 Processing Tomatoes is 3.4% and not the 4.0% previously reported.

Growers are reminded that Crop Insurance covers replant usage over and above the 8% provided the replanting occurred as a result of an insured peril. Growers are required to submit their qualifying replant usage to Crop Insurance in order to be compensated.

Crop Insurance Premium Rates				
Crop	Coverage Options	Customer Premium	Claim price	Maximum Reseeding Benefit
Green & Wax Beans	80% 76% (SHC)	\$19.08/acre	Dollar value crop	\$230/acre
Green Peas (without seed cost)	80% 72% (SHC)	\$16.84/acre	Dollar value crop	\$260/acre
Lima Beans	80%	\$28.08/acre	Industry negotiated	\$125/acre
Sweet Corn* conventional (without seed cost)	85%	\$14.72/acre	Industry negotiated	\$110/acre
	80%	\$12.00/acre		
	79% (SHC) 74% (SHC)	\$14.72/acre \$12.00/acre		
Sweet Corn *organic (without seed cost)	85%	\$16.32/acre	Industry negotiated	\$110/acre
	80%	\$13.28/acre		
	79% (SHC) 74% (SHC)	\$16.32/acre \$13.28/acre		
Tomatoes	90%	\$47.20/acre	Industry negotiated Processor specific	Lesser of transplant costs or \$412/acre

*SHC = Separate Harvest Coverage

* The premium for processing sweet corn is based on the price negotiated for the North American market. The price is adjusted according to the percentage of processed product exported offshore by your processor.

Note that the difference in deductible for the Separate Harvest Coverage Option (SHC) continues to exist. The board continues to be frustrated in its efforts to have the additional deductible removed from current coverage. Work is ongoing in this area.

2005 LICENCE FEES

The following are 2005 licence fees to be deducted on a per net ton basis.

COMMODITY	ADMIN	ACREAGE MEASURE /MONITOR	GRADING	OTHER	SUB-TOTAL	GST	TOTAL PER NET TON
TOMATOES	\$0.88	\$0.05	\$0.32	TOMCAST \$0.07	\$1.32	\$0.09	\$1.41
SWEET CORN	\$0.77	--	\$0.00	--	\$0.77	\$0.05	\$0.82
GREEN PEAS	\$2.98	--	\$0.12	--	\$3.10	\$0.22	\$3.32
CUCUMBERS	\$2.42	--	\$0.10	--	\$2.52	\$0.18	\$2.70
GREEN & WAX BEANS	\$1.89	--	--	--	\$1.89	\$0.13	\$2.02
CARROTS	\$0.72	--	\$0.08	--	\$0.80	\$0.06	\$0.86
PEPPERS	\$2.53	--	\$0.00	--	\$2.53	\$0.18	\$2.71
BEETS	\$0.84	--	\$1.04	--	\$1.88	\$0.13	\$2.01
LIMA BEANS	\$5.21	--	--	--	\$5.21	\$0.36	\$5.57
SQUASH	\$0.76	--	--	--	\$0.76	\$0.05	\$0.81
CABBAGE	\$0.63	--	--	--	\$0.63	\$0.04	\$0.67
CAULIFLOWER	\$2.76	--	--	--	\$2.76	\$0.19	\$2.95
PUMPKIN	\$0.73	--	--	--	\$0.73	\$0.05	\$0.78