

Ontario Processing Vegetable Growers

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NEWSLETTER

Nº 8 - 2001

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NUMBER OF GROWERS REGISTERED, 2000 - 2001

DISTRICT (COUNTIES)		GROWERS		DISTRICT REPRESENTATION*	
		2000	2001	2000	2001
1	(Essex, Kent)	390	387	20	20
2	(Bruce, Huron, Lambton, Middlesex, Oxford, Perth, Hastings, Northumberland, Prince Edward and the Regional Municipality of Durham)	265	265	14	14
3	(Brant, Elgin and the Regional Municipalities of Haldimand-Norfolk and Niagara)	220	225	11	12
TOTAL		<u>875</u>	<u>877</u>	<u>45</u>	<u>46</u>

* Based on 1 representative for every 20 growers.

ONTARIO PROCESSING VEGETABLE INDUSTRY - SCHOLARSHIP

As reported in our last newsletter, the Ontario Processing Vegetable Growers (OPVG) and the Ontario Food Processors Association (OFPA) have established a bursary to support and encourage individuals pursuing a career in any aspect of the processing vegetable industry. These organizations are working together to ensure there are new individuals who will have the interest, skills and abilities to further develop and grow this sector of Ontario's agri-food economy.

Ontario's processing vegetable industry is competitive and vibrant. There are a variety of options for those seeking career opportunities; everything from on-farm production to sales and marketing to managing a processing facility.

In this new, cooperative initiative the OPVG and the OFPA are offering three-\$2,000 bursaries this fall to students who plan to pursue a career in any aspect of the processing vegetable industry, are enrolled in Ontario college or university programs and can demonstrate a financial need. Successful applicants will also be selected on the basis of their community and/or school involvement.

In addition to the post secondary bursary, there is also a \$2,000 scholarship to an individual currently working in the industry and accepted into the two-year Advanced Agricultural Leadership Program (AALP). This scholarship will be awarded on a bi-annual basis. AALP is an executive development program for individuals who want to broaden their horizons and expand their networks to help shape the future of the agri-food sector in Ontario. The organizations will work with the AALP staff to disburse this award.

For further information regarding the bursaries, please contact:

John Mumford, Ontario Processing Vegetable Growers, 519-681-1875

Jane Graham, Ontario Food Processors Association, 519-826-3590

The Bursary Application Form is available on the OPVG Website (www.opvg.org) or on request from either the OPVG or OFPA offices.

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SWEET CORN GROWERS RECEIVE NEW TANK-MIX WEED CONTROL REGISTRATION

(Source: J. Chaput, Minor Use Coordinator, OMAFRA, Guelph)

The Pest Management Regulatory Agency (PMRA) recently announced the approval of a 'User Requested Minor Use Label Expansion' (URMULE) for a 3-way tank mix of Afolan F (linuron) + Dual II Magnum (s-metolachlor) + Atrazine 90 WG for control of labeled weeds in sweet corn.

A pre-emergent application of Afolan F at 0.84-1.7 L/ha with Dual II Magnum at 1.25 L/ha and Atrazine 90 WG at 1.1-1.7 kg/ha may be applied to sweet corn. The tank mixture is to be applied pre-emergent to the crop in at least 150 liters of water per hectare. Make only one application per year. The days to harvest interval is 50 days.

For more information about this minor use registration contact Mr. Peter Sikkema at the University of Guelph, Ridgetown College (519) 674-1603 or Mr. Jim Chaput, OMAFRA, Guelph (519) 826-3539.

CROP INSURANCE

Growers are reminded that it is their responsibility to open claims in the event of crop damage due to weather related perils (ie. - drought). This should be done prior to harvest in order to assist Crop Insurance with verifying the cause of loss. If it looks like there is the chance of being in a claim position, growers should notify Crop Insurance immediately.

SAFETY NETS UPDATE

Just over 3 months ago, the Ontario government, through OMAFRA, initiated discussions with provincial farm leaders to develop a made-in-Ontario risk management strategy. OPVG Chairman, Dave Epp, has participated in this process on the board's behalf.

The goal of the government is to increase growers self reliance by shifting the focus of government programs from short term fixes to a long term sustainable solution. This made-in-Ontario strategy contains the following components:

- (1) Crop Insurance and NISA as core programs. Changes to each will be examined in the context of ensuring that they remain effective in meeting grower needs.
- (2) A stand alone Self Directed Risk Management Program (SDRM) for growers of edible horticulture crops will be in place for the 2002 stabilization year. Growers will be able to contribute 4% of their ENS and receive a 4% matching government contribution.
- (3) Continued support will be given to grain and oilseed producers through a replacement program for Market Revenue Insurance.
- (4) The Ontario Farm Income Disaster Assistance Program will continue to be available to growers for the 2001 and 2002 tax years.

MIDWEST TOUR

Board directors John Lugtigheid, Rick De Drabandere and Jim Reith traveled to the Midwest recently to meet with grower representatives from Quebec, Minnesota and Wisconsin. In addition, to viewing crops and production practices, the tour represented an excellent opportunity to discuss issues of common interest to the group. While irrigated production looks good, dryland areas in Wisconsin look very similar to areas here in Ontario as warm temperatures and a lack of rainfall start to take their toll.

SALVAGE BENEFIT FOR TOMATOES DUE TO BLOSSOM END ROT

The processing tomato plan now has a salvage benefit for tomatoes affected by blossom end rot. The benefit assists producers by offsetting the increased harvest and grading cost for affected tomatoes. The salvage benefit will apply only if:

- Your tomatoes are affected by blossom end rot;
- The affected fields must be identified and reported by your processor;
- Damage is verified in the field by Agricorp; and,
- Your total harvested yield is less than your Crop Insurance guarantee.

The salvage benefit is paid on the lesser of the crop potential in the field or your crop insurance guarantee. Please note, if contract tons divided by measured acres is lower than your crop insurance guarantee, the salvage benefit will be calculated on the basis of this number. The benefit paid per ton is determined by fruit counts taken in the field by Agricorp (see table below).

Defect level of Fruit in the Field	Salvage Benefit per Harvested Ton
10%	\$2.00 per ton
15%	\$4.00 per ton
20%	\$6.00 per ton
25%	\$8.00 per ton
30%	\$10.00 per ton
>35%	\$12.00 per ton

Growers are advised to call their processor and Agricorp as soon as possible to access this benefit.

Three Examples

Example #1:

AFY =	40
GP @ 90%	36
Acres	90
TGP	3,240
Price	\$85.00/Ton
Delivered Yield	3,200
Affected Acres	24
Defect Level	15%

Producer would receive production claim of $3,240 - 3,200 = 40$ tons @ \$85 = \$3,400

Plus salvage claim of $24 \times GP (36) \times \$4.00 = \$3,456.00$

Total Claim = \$6,856

Example #2:

AFY =	40
GP @ 90%	36
Acres	90
TGP	3,240
Price	\$85.00/Ton
Delivered Yield	3,241
Affected Acres	24
Defect Level	15%

Producer would receive production claim of $3,240 - 3,241 = +1$ therefore

No Claim

Salvage claim not eligible

SALVAGE BENEFIT FOR TOMATOES DUE TO BLOSSOM END ROT - Continued

Example #3:	AFY = 40	40
	GP @ 90%	36
	Acres	90
	TGP	3,240
	Price	\$85.00/Ton
	Delivered Yield	3,200
	Affected Acres	24
	Defect Level	10%

Producer would receive production claim of $3,240 - 3,200 = 40$ tons x \$85 = \$3,400

Plus salvage claim of $24 \times GP (36) \times \$2.00 = \$1,728.00$

Total Claim = \$5,128

AUSTRALIAN TOMATO NEGOTIATIONS

Price negotiations for the 2002 tomato crop have begun in earnest. The Australian Tomato Bush Telegraph reports that the H.J. Heinz Company is intent on "squeezing growers' margins 'til the pips squeak". The company has not yet announced how it will gain growers the savings it was touting as part of a package that called for substantially lower tomato prices in spite of an Aussie dollar that has weakened against its' U.S. counterpart from approximately 75 cents two years ago to around 51 cents today and a seed cost increase by the Heinz Company of approximately 10%.

Regional politicians were invited to meetings to discuss the issues behind company/grower relations. Partly as a result, the state government has instigated an enquiry into the Heinz negotiation process.

Since deregulation occurred several years ago, processing tomato growers, unlike other commodity organizations had thus far elected not to seek an authorization that would enable growers to have collective strength to ensure that change took place at a rate that was commercially acceptable. The Heinz process has proven that there is no protection from a processor that wishes to take an extreme view and, rather than have the fragile dynamics of the industry destroyed, growers will be submitting an application this August with a view to having an authorization in place by next season.

Source: Australian Tomato Bush Telegraph

WORLDWIDE TOMATO PRODUCTION: FORECASTS FOR 2001

Forecasts for the northern hemisphere and the information that is available concerning the southern hemisphere's season indicate that the trend begun in 2000 will continue in 2001.

Overall forecasts for 2001 stand at between 24 and 25 million tonnes, which represents a 8.1% drop from 2000 results. Once again, the main geographical region to drop its production is North America, with a further 8.5% drop as a result of a forecast reduction of 980,000 tonnes in California. AMITOM countries also intend to reduce production by approximately 5.6%. Despite the fact that the new threshold system in the European Union would allow for a production of close to 8.25 million tonnes, the five European producing countries are intending to reduce their production by 4.0% to 8.07 million tonnes.

Overall crop forecasts for 2001 are almost 2.2 million tonnes lower than the 2000 production, and almost 8.1% lower than the average for the past three years.

Ontario Processing Vegetable Industry Conference
January 29th - 31st, 2002
Hilton Hotel, London, ON