



Ontario Tender Fruit Producers' Marketing Board

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Items in this newsletter:

- ✓ Fresh Market Pricing – Code-a-Phone
- ✓ Nectarines Now Under Tender Fruit Plan
- ✓ Nectarine Test Market – Canada #1
- ✓ CanadaGAP Food Safety Audit Options
- ✓ Food Safety and Traceability Education
- ✓ Ontario Crop & Timing Outlook
- ✓ Temperature, Brix & Pressure Standards
- ✓ U.S. Peach Crop Forecast
- ✓ Processing Sweet Cherry Prices
- ✓ Tart Cherry Industry Update
- ✓ Protection for Farm Workers
- ✓ “GROWER” Newspaper

PRICING – CODE-A-PHONE – 905-709-6620

For current pricing information call 905-709-6620 and follow the prompts. This recording is normally updated on Fridays throughout the season.

NECTARINES NOW UNDER TENDER FRUIT PLAN

It's official, nectarines are now included in the Tender Fruit Plan. Final notice was printed in the Ontario Gazette on July 3, 2010. Nectarines are now included in the Board's promotion plans, market incentive programs and pricing strategies.

NECTARINE TEST MARKET – CANADA #1

Even though there is no Canada #1 grade for nectarines, Ontario has used baskets that are marked Canada #1. CFIA informed the industry that after September 30th, 2009 they would no longer be allowed. In response, the Board requested that a Test Market be established whereby the peach standards be used (with the exception of size) for 2010 and 2011. This has been accepted and will be in place as of July 5th. During the two-year period, the industry will explore establishing a permanent grade for nectarines or making grade declaration voluntary. For now, growers may continue to use containers for nectarines that are marked Canada #1.

CANADAGAP FOOD SAFETY AUDIT OPTIONS

Tree fruit and grape growers now have an option to have audits each year or go on a four-year rotation. Some growers have already decided to stay with the annual audit so that they are always prepared. Further, there is no significant difference in cost. If you select the four-year rotation, you may still be subject to a random audit and you will be required to conduct self-audits on an annual basis. The forms required for self-audits are available on their website at www.canadagap.ca. You may also call CHC at 1-613-226-4880 ext. 215. In all cases, please check with your shipper to ensure you are meeting their requirements.

FOOD SAFETY & TRACEABILITY EDUCATION

The Tender Fruit Board has secured funding through The Food Safety and Traceability Education Fund (FSTE). The funding allows for growers to receive one-on-one instruction. If you would like assistance preparing for your audit, please contact Katija Morley at E-Biz 519-362-0101. Call early, as there are only twenty openings available. This is a two-year program with funding provided by the AAFC and OMAFRA and is administered by the Agricultural Adaptation Council.

ONTARIO CROP OUTLOOK & TIMING

In terms of maturity dates, this is the earliest season on record and crops estimates are **not** declining. Also noted is the fact that there is very little difference in maturity between the east end and west end of the peninsula. We are looking at a very compact season. Revised crop estimates on page 4.

So, big crop and short season! Multiple packaging formats! California is late while the Eastern U.S. and Canada are early! Challenges and opportunities! Everyone in the system must do their very best in order to achieve success! This means best quality, best packaging presentation and uniformity. It is amazing that some growers still haven't thinned their yellow plums. The Board recently sent a letter (page 5 & 6) to the Appointed Dealer-Shippers outlining their duties and responsibilities. Growers also have a responsibility to deliver top quality or risk having their fruit rejected.

Retailers have confirmed their support for "Buy Local" as long as the local product is competitively priced and the quality either meets or exceeds the competition.

TEMPERATURE, BRIX & PRESSURE STANDARDS

Retailers are insisting that Ontario tender fruit supplier adopt new standards for temperatures, brix and pressure. The goal is to position Ontario fruit as more tree ripened and superior to imports. The Board and participating growers and dealers have been studying this issue over the past two years and plan to do so again this summer. The survey will include tests all along the supply chain from the farm, to dealers from point of receiving to shipment and at the point of receipt by our retail partners at varying markets.

The retailers' expectations are very high. We have requested that their standards conform to what is doable given Ontario conditions. For now, the Board recommends that growers strive for the following:

Brix

- Minimum average of 9 brix for groups 1 – 4 (up to Redhaven)
- Minimum average of 10 for the later varieties

Peach & Nectarine – Pressures

- 8 – 15 Lbs.

Temperatures

- 2 – 10 degrees C for fruit that is packed and shipped within a day or two
- 0 – 5 degrees C for fruit that is being stored for two or more days

Your shipper should be able to source refractometers, pressure testers and pulp thermometers.

U.S. FRESH PEACH FORECAST

The U.S. fresh market peach crop is forecast to be up 8% from 2009. Significant state estimates are as follows:

State	Tons	% Change from 2009
California	365,000	Up 5%
South Carolina	78,000	Up 5%
Georgia	39,000	Up 22%
New Jersey	35,000	No change
Pennsylvania	29,000	Up 5%
Michigan	21,000	Up 22%
Washington	20,000	Up 11%
TOTAL ALL STATES	692,450	Up 8%

PROCESSING SWEET CHERRY PRICING

Chilled Pitted Cherries	80¢ per lb.
Juice & Distilling	30¢ per lb.
Licence Fee	\$10 per ton
Payment Date	December 1, 2010

TART CHERRY UPDATE

The 2010 tart cherry price was settled at 20¢ per lb. for 92 score (23¢ - 2009). Although the U.S. crop is down sharply, there is a very large inventory of finished product in the pipeline and exchange rates have narrowed. The complete pricing schedule is as follows:

- (a) For cherries graded 97, 98, 99 and 100 at the rate of \$445 per ton.
- (b) For cherries graded 95 and 96 at the rate of \$430 per ton.
- (c) For cherries graded 93 and 94 at the rate of \$415 per ton.
- (d) For cherries graded 92 at the rate of \$400 per ton.
- (e) For cherries graded 90 and 91 at the rate of \$390 per ton.
- (f) For cherries graded 88 and 89 at the rate of \$380 per ton.
- (g) For cherries graded 85, 86 and 87 at the rate of \$370 per ton.
- (h) For cherries graded 80, 81, 82, 83 and 84 at the rate of \$360 per ton.
- (i) For cherries graded 75, 76, 77, 78 and 79 at the rate of \$350 per ton.
- (j) For cherries graded 70, 71, 72, 73 and 74 at the rate of \$340 per ton.
- (k) For cherries graded 69 and below at the rate of \$330.00 per ton.
- (l) For juice and distilling \$400 per ton.

Terms & Conditions

Payment Dates:

September 15, 2010	25%
December 15, 2010	25%
March 15, 2011	25%
June 15, 2011	25%
License Fees	\$10.25 per ton – Payable December 15, 2010 (includes \$.25 per ton for chilled pitted cherry promotion)
Chilled Pitted Promotion	\$.25 per ton - Processor – Payable December 15, 2010

North American Cherry Promotion Initiative – In the past growers contributed to a fund to promote tart cherries in cooperation with a similar effort in the U.S. It was agreed that there would be no need to contribute from the 2010 crop as there are sufficient funds available on hand from previous crop years. This is year five of the program. A quick review of current market trends indicate that sales of dried cherries, cherry juice and concentrate have and continue to increase while sales of cherry pie filling and sales to the bakery trade are static to declining. We are currently evaluating the results of the promotion and whether it has met its goals in order to determine whether it will continue and if so in what format.

PROTECTION FOR FARM WORKERS

See note attached from the OFA regarding farmers' responsibility for "Protection of Farm Workers". More red tape.

"GROWER" NEWSPAPER

The Ontario Fruit & Vegetable Growers' Association wishes to ensure that all horticultural producers receive their free monthly copy of the "GROWER" newspaper. If you are not, please call them at 1-519-763-8728 and ask for Carlie Roberson or email her at production@thegrower.org.

Yours truly,



Adrian Huisman
Manager



Kelly Ciceran
Assistant



Sarah Marshall
New Project Coordinator

Fresh Fruit Sales Through Ontario Dealer-Shippers 2010 Crop Estimate

Crop	2005	2006	2007	2008	2009	Estimate 2010	Change % +/-
	tons	tons	tons	tons	tons	tons	
Peaches	13583	17490	14737	17850	19400	21000	+10%
Pears							
Clapp	84	115	84	77	60	60	0%
Bartlett	1206	1914	1362	2400	1650	2000	+20%
Bosc	1775	2218	1159	1330	1256	1500	+20%
Pears Combined	3065	4247	2605	3807	2966	3560	+20%
Plums & Prunes							
Early Golden	589	1420	65	1500	1420	1550	+10%
Shiro	661	644	362	500	600	650	+10%
Total Yellow Plums	1250	2064	427	2000	2020	2200	+10%
Reds	23	20	15	30	30	30	0%
Blue Plums & Prunes	721	699	494	564	525	600	+20%
Plums & Prunes Combined	1994	2783	936	2594	2575	2830	+10%
Grapes							
Coronation - Premium	1295	1920	2015	2025	2100	2500	+ 19%
Other Blue Grapes	790	500	185	110	100	100	+ 0%
Grapes Combined	2085	2420	2200	2135	2200	2600	+18%
Sweet Cherries	525	500	750	420	300	360	+20%
Nectarines	2400	3500	3010	2600	2200	2500	+14%
TOTAL FRESH	23652	30940	24238	29406	29641	32850	+11%
PROCESSING							
Clingstone Peaches	4668	6126	5613	2756	2621	2000	-25%
Bartlett Pears	2340	3677	1529	0	0	0	-
Tart Cherries	7940	3157	7864	6140	6989	7000	+0%
Sweet Cherries	208	421	50	80	60	60	-
TOTAL PROCESSING	15156	13381	15056	8976	9670	9060	-6%
TOTAL COMBINED	38808	44321	39294	38382	39311	41910	+7%

June 21/10



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June 23, 2010

To: Appointed Dealer-Shippers

Re: **2010 Pricing and Quality Controls**

The Board reviewed and accepted the pricing recommendations made by the Fresh Market Advisory Committee on June 21, 2010. The Board also agreed with the preliminary crop estimates and understands that with the lower weights per container this year, that there will be considerably more consumer units to market. The Board hereby makes it clear that once a pricing decision has been made, it is firm, and that all their Appointed Dealer-Shipper Agents are expected to adhere to this decision. If there is disagreement, there is a mechanism to address the issue.

We all understand that there will be challenges this season, not just as a result of the increased volumes but as a result of increased demands for food safety and quality controls from our retail partners. There will also be challenges created by confusion over the various container options, not only at the buyer level but also at the producer and consumer levels.

Dealers and growers must understand what is required of them and manage their operations accordingly. This means managing their receipts and sales in an orderly manner.

Requirements:

1. If the product that a grower offers doesn't meet market standards and can not be sold at the full FOB price, then it must not be accepted. Any attempt to market a sub-standard product will only result in a depressed markets overall.
2. As shippers, if you **do not** have a market for the product that is offered to you, even if it meets market standards, then your options are that you or your grower(s) must be prepared to store the fruit in raw form and pack it when a market opens at the full FOB price, or, offer it to an alternate dealer-shipper who has a market opportunity. The dealer can either, handle the transaction and agree to a commission splitting or advise the grower to go direct to the alternate shipper. Either way, the market will be strengthened.
3. All growers and shippers must be in full compliance with Food Safety requirements (CanadaGAP). At this time, the four-year rotation for audits for tree fruit and grapes, including random audits, is acceptable.
4. Growers and Dealers must accept market standards for cool-chain management or risk having rejections.

The Board sees these challenges as opportunities. Opportunities to do better and opportunities to earn our rightful place in today's market. Volumes will continually increase as new plantings come into production. To meet these challenges we must work together to produce and market consistently high quality fruit that meets the expectations of our retail and consumer partners.

We must position ourselves as the "Supplier of Choice". The "Buy Local" movement is great but all that means is that our retail partners will buy local if and when the quality and price are equal to imports. It's up to all of us to do so and do so collectively.

Yours truly,

A handwritten signature in black ink, appearing to read "Len Troup". The signature is fluid and cursive, with a large initial "L" and a long, sweeping underline.

Len Troup
Chair

OFA Commentary 2510

Protection for farm workers

By Mark Wales, Vice-President, Ontario Federation of Agriculture

Ontario farming consists of thousands of small and medium sized enterprises that employ many more thousands of people on our farms.

As employers in Ontario, regardless of size, farmers need to know that they are all now required to have policies on workplace violence and harassment. Those with five or more employees must have copies of the policy posted in a conspicuous place within the worksite.

Bill 168 Ontario Health and Safety Act amendments have just come into force putting the new policy into action. Employers can have a number of issues to consider when setting out a workplace violence policy. Some of the considerations could include:

- does it apply to all employees;
- should it apply to contractors;
- should it apply to visitors and guests;
- will it apply at social functions;
- will it also apply outside the workplace.

The Ontario Ministry of Labour has provided guidelines respecting workplace violence and harassment. The Guidelines can be found on the Ministry of Labour website.

The Ministry has also provided some indication of what they would find acceptable when inspecting for compliance with the Act and its amendments.

The obligations of all parties in the workplace – employer, managers, supervisors and workers – should be detailed on the posted policy. Reprisals against anyone initiating a complaint under the Act must be considered unacceptable. The posted policy should outline definitions of reprisal or retaliation.

A workplace violence risk assessment may precede or follow the statement of policy on workplace violence prevention – something the employer is responsible for doing. Neither the Bill nor the Ministry of Labour guidelines provide specific direction on who is responsible for assessing associated risks for these matters. This leaves it open to internal staff or an external party to perform the assessment – a management decision of the farmer as the employer.

A number of matters have to be considered under the Act – the nature of the workplace, the type of work, and the conditions of work. The nature of the workplace would consider everything from lighting to equipment and placement of objects within the workplace. The type of work would look at everything from handling cash to protecting valuables, to contact with the public. The conditions of work are also viewed as a factor of risk – those working late at night or early in the morning are considered at greater risk.

Employers, as part of the assessments, may consider surveying the workforce regarding past incidents of workplace violence. Because Bill 168 or the associated Guidelines don't provide a requirement to conduct a survey of workers, it is a decision of the owner of the business.

The Guidelines recommend that employers review the risk assessment at least annually as a means of identifying and correcting deficiencies.

The training obligation imposed by Bill 168 may present a difficult compliance hurdle for employers, both in terms of the logistics of training the entire workforce and in determining what information and instruction must be provided. Because workers must be trained on the program – specific to their workplace – generic training on Bill 168 will not meet the legislated training obligation.

It would be wise for employers to seek guidance from the Ontario Farm Safety Association, 1-800-361-8855, in Guelph and perhaps even legal counsel when facing a situation involving workplace violence or harassment.

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