

ANNUAL REPORT

2004

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Report of the President



To Members of the Canadian Horticultural Council:

The Canadian fruit and vegetable sector will certainly have had another hectic year where the Canadian Horticultural Council played a major role. If I were to give a one-word theme to this last year's activities, it would be "revamping," and this, on many levels.

First, we went through a federal election with all its related constraints and repercussions. Obviously, the great governmental machine slows down during this period and resuming its normal pace takes time. We can now state that the election period is finally over and hopefully our minority government will remain in power long enough to prevent having to go through it again any time soon. Although the Agricultural Policy Framework has long since been announced, we have the impression that all the loose ends have yet to be tied up and several questions still remain unanswered.

Of course, I do not propose to detail all the issues the CHC has had to deal with this year, since these will be the subject of committee reports or discussions over the next few days.

We have recently acquired a building in partnership with the Canadian Produce Marketing Association. The CHC has moved into its new offices and we are now confident that we have made the right decision. The financial statements we will be distributing to you will confirm that contention.

The CHC's staff was also revamped. Having its own pressing need for personnel, the CPMA wished to end our resource sharing arrangement. Consequently, the CHC needed to round out its permanent staff. I am pleased to say that our organization has successfully completed this step by recruiting highly competent people to fill the void.

With regard to trade issues, many events caused concern among Canadian producers particularly with regard to exports. We had to contend not only with the American Bioterrorism Act but also the rise in the Canadian dollar versus United States currency. This situation was certainly not conducive to trade with our neighbours to the south. In addition, without any unfavourable weather conditions to hinder production, the United States found itself with produce surpluses, causing prices to fall throughout the continent.

We also must not forget the United States' challenge of our Ministerial Exemptions Regulations. Many consultations took place during the year to try to resolve this problem. Negotiations between representatives of both countries are ongoing.

Negotiating an agreement relating to foreign seasonal workers was another of the year's major challenges. Following a national survey of the horticultural sector, salary demands could have put Canadian producers at a significant competitive disadvantage on the international market. The working committee representing employers and Human Resources and Skills Development Canada reached an agreement that is to the advantage of both parties. The President of the Human Resources Committee will be reviewing the details of the agreement with you.

The on-farm food safety project has continued to progress over the year. The Potato Food Safety Program is currently undergoing technical review by the Canadian Food Inspection Agency while implementation of the Vegetable OFFS has already begun. Much work has also been done on crop protection issues, but there is still much to accomplish before reaching our goal, i.e. establishing a true alignment of Canadian regulations with those of our principal partner in trade.

In closing, I would like to thank the members of the CHC for giving me the opportunity of being the organization's President over the past year. Gaining first-hand knowledge of the issues facing the horticultural sector at the national level has proven a unique and enriching experience.

I must not forget to express my appreciation to all the committees and subcommittees, and their presidents for their remarkable work that helped to further the various issues as well as all the CHC staff members for their untiring dedication. Your hard work is invaluable to the Canadian horticultural sector.

Respectfully submitted,

A handwritten signature in cursive script that reads "André Turenne".

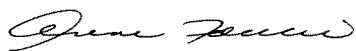
André Turenne
2004 President
Canadian Horticultural Council
March 10, 2005

Report of the Executive Vice-President



Annual Report to Members

Respectfully submitted,



Anne Fowlie
Executive Vice President
March 10, 2005

***ANNUAL
FINANCIAL
REPORT***



CHC / CCH

**CANADIAN HORTICULTURAL COUNCIL
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OTTAWA, ON K2E 7Z4**

OCTOBER 31, 2004

**ORGANIZATIONAL
FACTS**

**FARM
CASH
RECEIPTS**