

# **ANNUAL REPORT**

**2007**

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## Report of the President

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### **To Members of the Canadian Horticultural Council**

This is the 86<sup>th</sup> Annual General Meeting of the Canadian Horticultural Council and that in itself is a major accomplishment. The fact that Canada's horticultural industry has seen benefit in supporting a national agricultural organization on a voluntary funding basis adds to the credibility and perceived benefit of speaking to national issues with one voice.

Many of the issues we face are ongoing, and because we do not have the final say in the resolution of these issues, they will always be ongoing. We must be vigilant in reacting in a positive way to an ever-changing world and societal demands.

Little did we know how important food security would become in relation to the theme of the Canadian Horticultural Council's 2008 Annual General Meeting: *Food Security: By Canadians for Canadians* when it was chosen some 18 months ago. With concerns over food imported into Canada ever-increasing during the past year, particularly from California and China, food safety has reached an all-time high as a top of mind concern for Canadian consumers and is also clearly an integral part of food security.

I will take this opportunity to give my overview on the issues we have been dealing with in the past year. In most cases, they are a continuation of prior years with adjustments to circumstances beyond our control.

#### **Pesticides**

We continue to have to lobby on this issue for harmonization, recognizing that we have moved much closer to this goal than we have ever been. Thanks to the crop protection committee for their continued efforts and also to Craig Hunter for his efforts on our behalf. We must also acknowledge the leadership and "can do" spirit Dr. Karen Dodds brought to the PMRA.

#### **Labour**

Thanks to the efforts of the Human Resources Committee we continue to have a reliable source of labour to operate our farms. The affordability of the offshore program is of concern but is not in our power to control. This is a critical file which requires constant attention.

### **Fruits and Vegetables**

Fresh market and processed products continue to come under pressure due to globalization. We continue to be in an uncompetitive situation due to low cost of production in the third world countries. Many of these countries provide a very low standard of living for their citizens with little regard to human rights and food safety standards. Globalization has provided great opportunities for trade. Raising standards in third world countries, though, has huge benefit to the already wealthy and lesser benefit to the agricultural industry in those countries.

### **Food Safety**

We have before us a proposal which has been developed by Paul LeBlanc, his committee and the various working groups and our team at the national office led by Heather Gale. Many diligent hours have been spent developing this proposal and I congratulate the efforts of those involved. I look forward to a full and positive discussion on this issue. Hopefully we can arrive with a positive result on the food safety issue that will meet the requirements of agriculture, government and retailers - a very big task indeed.

Having a uniform food safety policy across Canada is of utmost importance for the public good. We already produce the safest and cheapest food in the world and in the most responsible manner. However, it is becoming increasingly important to provide necessary statistics to the consuming public to validate this. In so doing, we will differentiate our Canadian produce from the imports and assure the public of the safety and premium quality and value of our domestically produced crops.

We already produce the safest food in the world. The benefit we get is proving it with a food safety program. Government must come to the table with significant funds for this program as it has a responsibility in this as well. The Speech from the Throne recognized that importers would have to take more responsibility to guarantee safe food. I agree, but I wonder who elected importers and retailers. Imported food should have the same food regulations to which Canadians must adhere. As you are well aware, the market share for our horticulture crops has declined due to cheap products of somewhat dubious quality that are imported to the Canadian market.

### **Branding Canada**

If we are going to have a Canadian brand, it must be meaningful and must differentiate our products. Therefore, it must tie in with food safety and convince consumers that we are the product of choice and therefore they will pay a premium for that product. It has been reported in some agricultural publications that CHC spends too much time on food safety. However, if you don't differentiate yourself in the marketplace, why would consumers buy your product? There are three pillars to consider: quality, availability and safety. These are what we must guarantee in order to differentiate our products to consumers.

A Canadian brand is one way to identify our product and hopefully allow us to obtain a premium and a bigger market share. This particular point has been key in Fresh Thinking: Growing the Five Billion Canadian Horticultural Production Sector and a focus in our dialogue and interventions with government officials at all levels.

### **Labelling**

Branding Canada will not be successful unless we change the labelling legislation for fresh and processed fruits and vegetables. Canada No. 1 is very misleading and should be discontinued on fruits and vegetables. I have done surveys in supermarkets and it seems to be understood to mean produced in Canada, and not a grade standard. Labels should be

mandatory for country of origin. The branding issue has been on the table for far too long and it is time for action. The Canadian public has a right to know what they are purchasing and consuming. Truth and transparency; it should be simple.

### **Safety Nets**

Safety nets continue to be a problem for horticulture. Lack of a viable crop insurance plan for many of our crops is a major problem for producers. Government simply does not see the value in the horticulture industry. We continue to fight this battle due to government inaction, and hear excuses such as GAT, NAFTA, WTO, moral hazard, etc. We need an agricultural policy for this country that supports agriculture now and into the future, similar to policies in Europe and the USA. Until then, we will continue to stumble and flounder along from crisis to crisis, watching our agricultural industry decline. Don't tell me we can't, tell me how we can!

These are some of the problems that we face at CHC on a continual basis. I have been involved in some of these problems for the past twenty five years and we continue to struggle as we have in the past. To give up trying, however, would mean defeat. I don't wish to be negative, but realistic. We have witnessed some progress, but it has been frustratingly slow. Globalization is putting extreme pressure on processors and agricultural producers. Do we want our industry to go the way of textile, electronics and automotive industries?

We continue to lobby senior government officials and elected representatives as to the value of our industry and the economic and health and safety benefits of Canadian produce to the Canadian public. Lobbying is a never-ending battle and it seems at times that progress is very slow. However, from time to time we do have an effect on government policy as witnessed by the establishment of the Pest Management Centre and the recent Speech from the Throne which referenced the need for generally available production insurance and a means to differentiate Canadian-grown product in our marketplace (i.e. redefining criteria for Product of Canada labeling).

I would like to thank Anne and our national office staff for their support and cooperation. It is also important to recognize those who chair our standing committees. Of course, I must also thank my fellow executive and finance committee members for their work and support this past year.

Respectfully submitted,



Ken Porteous  
President  
Canadian Horticultural Council

**March 6, 2008**



# Annual Report to Members

It is difficult in some ways to describe the past number of months since the 2007 Annual General Meeting. It was a very active year for the Canadian Horticultural Council and its members as we wrestled with our regional issues and collective national priorities. Due to the very nature of what we do it can be rather difficult to summarize what had been done and where progress has been achieved. It is important, though, to reflect on the past number of months as we look ahead to the coming year.

In each of the initiatives the team at the national office undertakes on behalf of CHC, the collaboration, cooperation and contributions of the time and expertise offered by members is critical to any success we have achieved and can hope to achieve.

We have strived to advance the issues brought forward to us by way of resolution as well as reaffirmation of priority issues at the 2007 AGM. These include:

- Business Risk Management: development and implementation of effective and equitable business risk management programs;
- Availability of farm labour
- Crop Protection: access to crop protection technologies and “closing the technology gap”;
- Food Safety: further the development of a comprehensive on-farm food safety program for Canadian-grown fruit and vegetables;
- Raising the profile of Canada’s horticultural sector, and
- Other initiatives which contribute toward an optimal business environment to engage in the production, promotion and commerce of fresh fruit and vegetables in Canada.

Additionally, the Executive and Finance Committee committed to focusing on two specific issues of particular concern to horticulture: extension of production insurance, now known as Agri-Insurance, to all horticultural commodities and a meaningful and accurate use of Product of Canada and the Canada grades designation. The latter is quite timely given the national focus on sourcing, identifying and supporting Canadian-grown products. Furthermore, each of these issues was identified in the Speech from the Throne.

I am pleased to outline various initiatives which were undertaken to address these and other issues since the last AGM.

### **BUSINESS RISK MANAGEMENT**

There is little doubt that all would agree the past year has been particularly disappointing for horticulture in relation to safety nets and business risk management.

While there have been numerous opportunities to meet with the appropriate officials, participate in various roundtables and consultations, and accept invitations to make presentations on many occasions, including the Federal/Provincial Production Insurance Working Group, we have not achieved any measurable success in advancing this file. The opportunities have yet to translate into results of any substance. We continue to seek

opportunities to dialogue, provide options and impress the dire need to provide at least an interim measure to address the gaps in production insurance. The disparity among producers and crops is unacceptable.

Ontario has taken a lead in attempting to expand production insurance to a number of other crops. Pilots were conducted in 2007 and will be further expanded for the 2008 production year. Results to date appear positive but this must be even further expanded and rolled out in other parts of the country.

The demise of the National Safety Nets Advisory Committee has eliminated a national forum to bring national attention to our issues. There is a need to renew our approach. The arguments and business propositions are sound and a collective and sustained approach will be required.

### **ACCESS TO FARM LABOUR**

The availability of labour at the farm level has been an issue of concern for decades and has become even more critical given our changing demographics and the competition for workers from all other sectors the workplace. Pressure from union activities and on the minimum wage continues to add to the grave concerns on this issue.

We are fortunate to have an extremely dedicated and knowledgeable group addressing these issues on a near daily basis. Many meetings have been held with HRSDC, program officials and there was an opportunity to meet with Minister Solberg as well.

Efforts will continue and regular exchange of information among committee members and CHC members will continue.

### **CROP PROTECTION**

In addition to regular Crop Protection Advisory Committee (CPAC) meetings and conference calls, committee members met with Dr. Karen Dodds, PMRA Executive Director, and senior officials as well as AAFC Pest Management Centre Executive Bill Boddie and officials from the Centre.

The meeting with **PMRA** focused on items such as: Status of Project 914, Status of Revocation of 0.1 ppm as a General Maximum Residue Limit for Food Pesticide Residues, Status of Imidan (Phosmet) and Phosalone (Zolone) with respect to phaseouts, Workplans for Minor Use Projects, Status of the URMUR Program, Occupational Exposure and Policy Discussion Document (PRO2007-01), Inter-Agency / Departmental Linkages, NAFTA and Global Linkages, Global Minor Use Summit, Proposed Databases (Homologa / US-Canada MRL Database as proposed by MCFA). The discussions and followup have been excellent. It was agreed that CHC and PMRA would co-host a crop protection session in conjunction with the CHC AGM to present an update on regulatory and program developments related to crop protection since the March 2006 session. The next CPAC / PMRA meeting is scheduled for spring 2008. The meetings are valuable and we will continue to meet in this type of forum on a semi-annual basis.

Clearly there are additional initiatives and changes required to bring us the parity and access to products we seek. We must acknowledge, though, that progress is being made and we are witnessing significant advances on many fronts.

Discussions with the **Pest Management Centre** touched on: project management: status report on priorities (2002-2008), discussion of the backlog of efficacy/crop tolerance studies,

update on joint projects with the IR-4, budget/resources and the future of the program post 2008, research funding for Minor Use and Reduced Risk, process for soliciting contractors and communication.

The **Global Minor Use Summit**, which took place at the FOA in Rome from December 3-7, 2007, was a milestone in advancing the cause of minor use globally. Canada was well represented and over 300 stakeholder representatives from 65 countries attended the event; there is no doubt all will benefit. The US IR-4, US EPA and USDA are to be commended for their initiative in organizing this much needed event. The recommendations from the Summit include:

#### **Communication**

- Facilitate an opportunity for commodity groups from all regions to interact on pest management issues and needs.
- Develop a single, clear communication message on the meaning of MRL's.
- Develop a system to identify minor use crop/pest combination needs from all regions.
- Establish a working group on minor uses throughout Codex Committee on Pesticide Residues (CCPR).
- Continue global collaborations.
- Facilitate a Global Minor Use Summit II.
- Expand the established Minor Use List Server as a communication tool.
- Establish a global minor use information sharing web based portal.

#### **Data Generation for Residue and Efficacy**

- Continue to support the best use of data in the following areas:
  - Global Zoning based on comparable agro-climatic conditions
  - Extrapolation/Crop Grouping
  - Efficacy Data Sharing
  - Develop the process and protocols that facilitate Global Residue Program

#### **Data Sharing**

- Develop a common portal consisting of links to national data and information websites including (but not limited to) crop grouping schemes, MRL regulation, pest management need/gaps, authorizations to facilitate data sharing.
- Develop reliable publicly available database of current ongoing residue and efficacy studies throughout the world.
- Harmonize formats, data structure, codes and code systems.

#### **Crop Grouping**

- Support Codex in revising Codex Classification of Food and Animal Feeds including the consideration of the concept representative crops.
- Recognize of the value of an international crop grouping scheme with representative crops is important in facilitating authorizations for minor crops.
- Encourage the development of harmonized global crop grouping scheme for efficacy data.

#### **Harmonization**

- Continued support for multi-lateral review efforts/simultaneous decisions and encourage expansion to all regions.
- Extend multi-lateral review work of new active ingredients to cover label expansions.
- Harmonize national MRLs and/or accept Codex MRLs
- A glossary of term would be useful
- Consider a pilot study to examine the reason for differences in national and Codex MRLs for a specific pesticide/crop combination

- Support ongoing FAO and OECD guideline development of minor uses
  - GAPs
  - Residue Definitions
  - Methods for establishing MRLs
  - Dietary Risk Assessment
- Explore the concept of a simultaneous Joint Meeting on Pesticide Residues (JMPR) and national review to facilitate the establishment of Codex MRLs prior to national MRLs.

#### **Other Recommendations**

- Propose to CCPR to consider problems related to specialty crops and minor uses.
- Support establishment of government funded IR-4 “like” Programs.
- Encourage incentives for the development of label expansion for minor uses.
- Maintain adequate number of efficacious crop protection tools in all regions to manage resistance.
- Facilitate the solution to the crop damage liability situation.
- Facilitate dialogue with stakeholders in regards to private standards.
- Build capacity in developing countries with emphasis on biological pesticides, reduced risk products and IPM systems.

A second Global Minor Use Summit is expected to be held in two years and work will proceed on many of the above-noted recommendations.

To summarize, it was an active and productive for crop protection-related activities and we look forward to numerous advances in the coming year.

#### **FOOD SAFETY**

As in previous years, food safety has played a significant role in initiatives at the national level as well in all regions. As you will note, much effort has been directed to the CHC food safety initiatives.

#### **Program Management and Delivery**

A sub-committee of the CHC Food Safety Committee is currently working on the development of a management system for the CHC OFFS program. A major component of the system involves auditor training and how to assess producer/packer conformance to the CHC manuals. Various options for delivery are currently being investigated.

Several meetings have been held this year, and a formal presentation outlining options was made to the CHC Executive in October with a final recommendation on all program components and delivery having been submitted in December, 2007. A detailed information package will be sent to all members prior to the CHC AGM 2008, at which time the recommendation will be brought forward for ratification by members. Complete details will be outlined during the special food safety session planned for March 5, 2008 as part of the Annual General Meeting.

#### **OFFS Audits**

An audit checklist specific to the CHC OFFS manuals was developed this year and publicly released in June 2007 for those wishing to use it this season. An updated revision to the audit checklist will be issued for 2008. Feedback from those who were audited to the CHC requirements is invited. Work is underway by the Audit Task Group to develop an auditor training program specific to the CHC OFFS program.

### **OFFS Training Resource Kit**

A national training kit based on the CHC OFFS manuals has been developed for producers, packers and trainers by an industry working group, with the help of horticultural food safety specialists and experienced trainers. The work was made possible by AAFC funding. The training kit – which consists of hand washing signage, informational brochures, frequently asked questions, a CD-ROM, etc. – is a resource for producers and packers to use to train their employees in food safety and work through the CHC manuals. It highlights the five Good Agricultural Practices (GAPs) which are the cornerstones of on-farm food safety, and also provides supplementary information to help assess and manage on-farm food safety hazards. The training kit will be provided to all member organizations of the CHC, for distribution to their members. Public access to the materials will also be available on a cost-recovered basis.

The material in kit is intended to meet the need for a base training package that producers and packers across the country can access to assist with OFFS program implementation. An adaptive, modular approach was taken to allow individual commodity groups and provincial associations to tailor use of the materials to their specific needs. Modifiable templates and additional implementation tools are available online at [www.hortcouncil.ca/FShome.htm](http://www.hortcouncil.ca/FShome.htm).

To encourage program uptake and implementation of the new training tools, the CHC facilitated a “Train-the-Trainer” pilot session in November, designed for potential on-farm food safety trainers from the industry who wanted to further enhance their knowledge of the CHC OFFS program. The three-day workshop instructed participants on how to deliver an OFFS training session to producers and packers. Twenty-five provincial representatives from across the country took part and were equipped with training tools to deliver sessions to producers/packers in their home provinces. The training resource kit consisting of PowerPoint presentations, handouts and speakers’ notes is also available on the CHC web site.

### **Technical Review of CHC Manuals**

Program development and government review of the CHC OFFS manuals continued in 2007. The Tree and Vine Fruit program underwent technical review by the CFIA in the fall, and is expected to conclude very soon. The Greenhouse Production program is also in the process of technical review, with the face-to-face review meeting held in late February 2008. Small Fruit will follow in 2008. Field tests of the final two vegetable manuals (Fruiting Vegetables and Asparagus, Sweet Corn and Legumes) concluded in November. Once feedback from the pilot project is incorporated into the manuals, the four field vegetable programs will be finalized and submitted for a joint technical review in 2008.

Updated draft versions of the manuals will be available on CD for 2008, along with the first release of an electronic version of the manuals. The latter has been designed to facilitate program implementation by multi-commodity producers and for those who prefer a computer-based system.

### **On-Farm Implementation (OFI) Funding**

Limited funding from the federal government to assist with OFFS program implementation is being accessed by CHC for distribution to provincial associations as each program completes technical review. OFI funding arrangements will soon be finalized for the potato industry, and an application is currently in the works for tree and vine fruit producers. We have been working hard to encourage improvements to the OFI funding program under the new “Growing Forward” agricultural policy framework and hope there will be some announced changes for 2008.

### **Food Safety Program Comparison: Joint Project with CPMA, CCGD and CFG**

This project is a collaborative effort between CHC, CPMA, the Canadian Council of Grocery Distributors (CCGD) and the Canadian Federation of Independent Grocers (CFG) to recognize each other’s national food safety programs, and to establish equivalency criteria for national food safety programs in countries that export produce to Canada. This project was led by CPMA and funded by AAFC.

The project was initiated in order for buyers and importers to confidently purchase both domestic and imported fresh fruits and vegetables that have been produced through food safety compliant programs. Specific requirements in the Canadian programs were compared to elements in foreign country programs. The final report was released in September and is available from the CHC National Office. The CHC program compares very favourably with a number of US programs as well as GlobalGAP, ChileGAP, New ZealandGAP among others. Equipped with this comprehensive comparison of domestic and international requirements, members of the buyer associations are now considering how to proceed with requests that foreign suppliers follow equivalent programs to those required of Canadian vendors

#### **Name the CHC OFFS Program – Contest**

A contest was launched in November to encourage CHC members and other industry affiliates to assist us in re-branding the CHC OFFS program, in conjunction with its planned implementation in 2008. A selection of prizes was offered to entice entrants. The contest deadline was December 31; over 20 entries were received and vetted by the CHC Food Safety Committee. The announcement of the official OFFS program name and new logo will be unveiled at the CHC 2008 AGM.

#### **MP Information Package – On-Farm Food Safety**

As part of an active series this fall of meetings and representations on Parliament Hill, all MPs received an information package in December about the proactive efforts that CHC has made in developing its OFFS program. Contact with MPs was encouraging and many were seeking further details about industry's initiatives in the food safety arena. The bilingual package consisted of a fold-out brochure, a short fact sheet on CD for insertion in their own constituency newsletters, and a short OFFS Program Overview video. CHC members were sent electronic copies of these materials, for use in their own lobbying activities.

#### **RAISING THE PROFILE OF CANADA'S HORTICULTURAL SECTOR**



As a follow-up to Dr. Douglas Hedley's report to the Fresh Produce Alliance: **Financial Practices of the Canadian Horticultural Sector**, the CHC sought to develop a comprehensive overview of the sector in order to raise the profile of Canada's horticultural sector. The result was: *Fresh Thinking for a Competitive Canada: Growing the Five Billion Dollar Canadian Horticultural Production Sector*.

In his report to us he noted it was extremely difficult to research our industry because little and or poor information existed. No business can effectively advance its cause without sound data and thus the initiative to do generate the data. Our goal was to:

- Highlight that horticulture's needs overshadowed by those of other sectors
- Portray the financial position of the sector
- Highlight the contributions of horticulture to the economy
- Identify and clearly articulate challenges affecting income and why this must be a concern to all Canadians
- Provide solutions for industry, governments and the public

and clearly demonstrate that:

- Horticulture is one of Canada's largest Agri-Food industries
- Horticulture generates a stronger Canadian economy
- Horticulture is an Entrepreneurial advantage for rural Canada
- Horticulture delivers on consumer demands
- Horticulture contributes to the health and well-being of Canadians
- Horticulture presents tremendous opportunity for Canadian growth
- Horticulture contributes to Canada's environmental protection agenda

An outreach kit was developed distributed to all CHC members and Members of Parliament under the seal of **Fresh Thinking Inside**. MPs received the materials at their constituency offices during at the summer and at their Ottawa offices once upon their return to Ottawa in the autumn. In late 2007 many meetings were held with various officials, including AADF Deputy Minister, Yaprak Baltacioglu, several Assistant Deputy Ministers, CFIA President Carole Swan, and officials at other related ministries including Industry Canada. CHC President, Ken Porteous and Executive Vice-President, Anne Fowlie were also involved in individual meetings with many Members of Parliament.

## **COMMODITY COORDINATION**

### **Apples**

#### **IFP Project**

Phase III of the program is now in place. Sites for plot implementation and for reduced risk trials were selected, work was performed, and a schedule was established for follow-up on the findings and for analysis. Producer organizations in each province took over managing the program and did excellent work showing producers the importance of the approach and supporting them in implementation. With the publication of the first findings, producers will now have two tasks—to decide on an approach for informing the public and customers about the benefits of IFP and to position themselves in relation to the growing presence of organic agriculture. CHC is currently working with Faye Clack Communications on developing the IFP brochure, poster and other promotional materials. The materials are intended to be distributed to growers, retailers and the general public to raise awareness of the IFP program and the benefits of it. Other promotional material is also in development, including a new page for the CHC website.

#### **Ministerial Exemptions**

2007 has been a challenging year for ministerial exemptions. After signature of the MOU during the CHC's Annual General Meeting in March 2006, some implementation difficulties arose, which led to an impasse. Two separate complaints have been filed under the Agreement on Internal Trade. Meetings were held in February and March with industry in an attempt to find resolution to the issues. Further consultations between industry and CFIA officials in the spring and summer resulted in further progress and revision of the Guidelines for Ministerial Exemptions. At present, a stakeholder information session has been organized for November 27, at which time the CFIA will present the Guidelines and respond to questions industry may have. The session is intended to be open to all interested stakeholders (producers, packers and processors). These Guidelines will be the process to be followed for this crop year and an industry-government working group will work on a longer term solution. We understand that the complainants have been briefed and responded positively to the Guidelines in terms of addressing issues in the short term and look forward to being involved in elaborating a longer term solution. Additionally, the complainants, while satisfied with the response to date, continue to maintain active files with the AIT.

#### **Apple Industry Research Workshop**

In 2007, the CHC Apple Working Group coordinated a national apple research workshop in which representatives from the apple industry, provincial extension and research staff and consultants laid out the framework for a national research strategy to assist the industry in identifying key research priorities. Development of a national research strategy for the Canadian apple industry complements AAFC's science priorities and functional capacity to conduct science and research under the Agricultural Policy Framework. Research is needed

in a number of APF areas, including Environment, Food Safety and Quality, Science and Innovation, including opportunities for value-added products and operations.

The following are the identified research and development needs of the Canadian apple industry, based on results of the workshop, as well as consultations with various sectors of the industry (including provincial grower associations, wholesalers, retailers, researchers, provincial extension staff and private consultants:

- 1) New Variety and Rootstock Development
  - a) Development and adoption of new apple cultivars
  - b) Rootstock development
- 2) Increase Fruit Quality and Yield through Cultural Practices and Post harvest Management
  - a) Annual production of quality fruit
  - b) Maintain fruit quality in storage
- 3) Develop and Implement Sustainable Pest Management Strategies
- 4) Value-added Food, Wellness Products and Industrial Uses

## **Potatoes**

The following is a list of items the CHC is working on in cooperation with the provincial potato organizations.

### **1. Bacterial Ring Rot**

**Insurance Feasibility Study** – Final Report was submitted on August 7, 2007 to Terri Epps, PSRMP, AAFC informing her that after conducting detailed actuarial analysis and extensive cross country consultation the Insurance Feasibility Study working group decided that the best approach to securing a uniform national insurance program is to add BRR as a single peril under provincial crop insurance programs. The following was taken from the July 19, 2007 report with respect to next steps:

- a letter needs to be sent from each of the provincial potato organizations to their provincial crop insurance agencies requesting:
- consideration of including BRR as a peril for seed potatoes with eradication as the goal, and
- time on the Production Insurance working group agenda at their next meeting to discuss the request in depth.

It is now the responsibility of the provincial organizations to proceed with the issue of insurance for bacterial ring rot as it is outside the scope of the BRR Insurance Feasibility Study.

**National Working Group** - The working group is focused on two activities under the direction of Tracy Shinnars-Carnelley. The first activity is the development of a best management practices guideline for the seed potato industry and the second activity is evaluation of disinfectants.

2. **Canadian Potato Export Market Development Strategy:** a draft marketing plan for the Canadian potato industry was conducted examining the current marketing situation for seed and table potatoes in Canada and abroad. The plan developed an issue analysis statement and has lead us to now seek financial assistance to conduct the following benchmarking studies to clearly outline how to capitalize on opportunities identified in the scan. The PCE established the following priorities on June 27, 2007:
  - Work with the Department of Foreign Affairs and International Trade, Agriculture and Agri-Food Canada and the Canadian Food Inspection Agency in a coordinated national effort to identify opportunities and impediments as they relate to free trade agreements, reducing/removing tariffs and resolving phytosanitary issues. Meetings have been held and a prioritized list of countries has been developed and work is ongoing.

- Conduct a quantitative, qualitative and compositional analysis of Canadian potato varieties in the prioritized list of countries against competing varieties by country. The Horticulture Value Chain Round Table of Agriculture and Agri-Food Canada provided funding for this project. The study is to start December 2007 and be completed by June 2008.
- Undertake export market development initiatives on a prioritized list of countries to conduct incoming and outgoing trade missions, conduct foreign country variety trials using varieties that Canadian's have access to, and initiate sample shipments to potential markets and perform follow up work on sample shipments. Proposal to be prepared by January 2008.
- Review consumer food marketing models and industry marketing models in prioritized countries of interest. Current status: on hold.
- Conduct a review of current potato research models in the United States, United Kingdom, New Zealand, Australia, Netherlands, Denmark and South Africa. Current status: on hold.

**3. Trade Negotiations – Ministerial Exemptions for Potatoes:** A Technical Arrangement dealing with ministerial exemptions for potatoes, access for creamer size potatoes in the U.S. market, removal of spot checks at Houlton, Maine and acceptance of an export certification program was signed between the United States and Canada on November 1, 2007. The arrangement has a three year implementation period, requires no legislative changes as changes will be administrative and the ability to revert to current procedures if mediation is not able to satisfactorily address issues that may arise.

**4. NAFTA technical working group on pesticides:** At the request of the EPA and PMRA the Canada United States Potato Committee identified the top priorities for registration or the establishment of an MRL in each country.  
Canada: Indoxacarb (Avaunt), Flutolanil (Moncut/Gavel), Zinc Phosphide (Rydell), Triphenyltin hydroxide (TPTH) (SuperTin)  
United States: Cyhalothrin-Lambda (Matador), Cypermethrin (Ripcord/Cymbush), Fluazifop-p-butyl (Fusilade/Venture)

**5. Seed Regulations, Seed Potato Regulations and Seeds Act –**

Modernization Consultation – Variety registration in Canada is currently based on the following:

- Health and safety requirements are met prior to commercialization of the variety,
- CFIA confirms that a variety is new, distinct, uniform and stable (DUS) and fulfills domestic and international seed certification requirements, and
- Merit assessment - determined by a recommending committee that the variety performs as well as or better than standard reference varieties with respect to agronomic (e.g., yield, days to maturity), disease and/or end-use quality characteristics.

The consultation is intended to strengthen the current variety registration system and facilitate ongoing discussion, analysis and consensus building activities on options for addressing a range of other important seed regulatory issues. The potato industry positions on key issues are very different from other sectors.

Seed Potato Regulations – summarized and submitted comments on proposed prepared.

Included industry position on washed seed potatoes and looked at the format of the regulations in that it would be better to place much of the current non-phytosanitary references into a standard that can be changed in a timely fashion and yet still hold the force

Variety Registration – CFIA seeking clarification on some options that will accomplish what the industry is requesting. This will require regulatory change and could take some time.

**6. Potato Cyst Nematodes – golden and pallid**

Nematode Survey – On March 16, 2007 the USDA and CFIA announced the implementation of additional potato surveillance measures, a joint certification protocol for the potato cyst nematode and golden nematode for all seed potatoes traded between

the United States and Canada. The initial phase of the protocol began on March 21, 2007.

Alberta – On November 22, 2007 the CFIA issued an industry bulletin in response to early October test results indicating the possible presence of Potato Cyst Nematode (PCN) in northern Alberta, the Canadian Food Inspection Agency (CFIA) launched an investigation to confirm the presence of this pest and the extent of its possible distribution. Until the investigation is complete and more definitive information is available, the CFIA and the U.S. Animal and Plant Health Inspection Service have placed temporary restrictions on the movement of potatoes from Alberta to the U.S. including the following:

- a temporary prohibition on exporting seed potatoes from Alberta to the U.S.
- a requirement that potatoes for consumption must be substantially free from soil, and
- that bulk shipments of potatoes to the U.S. for consumption or processing must be accompanied by an official form indicating that the potatoes have been cleaned and are substantially free from soil.

CHC staff has met with officials from the Minister's office as well as senior official from CFIA on this issue on a regular basis.

- 7. North America Plant Protection Organization** – Larry Buba (Alberta) is the Canadian representative on the committee and ensures our views are well represented. Funding was secured through CAFI to enable 4 people to attend the NAPPO Annual meeting and the Potato Panel meeting.
- 8. Seed Potato/DRC Project** – New information changes the understanding that each of the three existing systems were functioning in the same manner. It is evident the PACA has been and is willing to handle complaints dealing with seed potatoes. The good news is that Canadian seed potato growers have an avenue to resolve disputes with U.S. buyers. However Canada does not reciprocate this complaint service publicly or privately. To ensure reciprocity the seed potato industry would need to ask the DRC to expand their definition of fresh fruits and vegetables to include seed potatoes that have not been planted. This does not address in its entirety what the seed potato industry has been seeking over the last number of years, however it is one step in the process and will address contract and payment issues.
- 9. Test marketing request** – grade harmonization – as part of the Canada U.S. Potato Committee a request was submitted on May 23, 2007 to the CFIA seeking a test market on all the areas to be harmonized as the U.S. Federal Register is in the process of changing the U.S. grade standard and Canada would not be able to change the Fresh Fruit and Vegetable Regulations in conjunction with the U.S., therefore a test market request is being made to facilitate no interruptions in this process.
- 10. Pesticide Risk Reduction Program** – work with the Pest Management Centre on the development of the Crop Profile for Potato in Canada. This document outlines production issues for potatoes across the country and has established the following national priorities: bacterial ring rot, silver scurf, common scab and wireworm.
- 11. Potato Statistics** – summarize domestic seed and table potato statistics

#### **PLANT HEALTH**

The past year brought new challenges in the area of plant health. We continue to advocate for a national plant health strategy which includes a financial compensation framework as an integral component of the strategy. This issue has been a key discussion point in our

meetings with the CFIA President, AAFC officials and MPs. This has an important role to play in adding to the suite of business risk management programs under development.

**OTHER INITIATIVES**

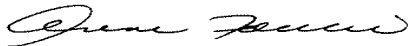
Many other projects and initiatives have been underway. These include InforHort and storage data collection trials, Standardization of Grades, and providing input to the Federal-Provincial Working Group on Fair and Ethical Trading Practices in the Horticultural Sector. This group was struck by the Federal Provincial Territorial (FPT) Agriculture Policy Assistant Deputy Ministers (ADMs) Committee to review the recommendations of the "Report to the Fresh Produce Alliance on the Financial Practices of the Canadian Horticultural Sector" by Dr. Douglas Hedley (Hedley Report). It is our hope that this will ultimately lead to the creation of a PACA-like trust provision in Canada. Again, this would be a valuable addition to the suite of business risk management tools. We have also participated in initiatives leading to the new Destination Inspection Service in Canada.

**THE YEAR AHEAD**

We look to the annual general meeting as the opportunity to connect with you, our members. We look forward to your input, particularly with respect to your priorities and developing methods to build on existing and new means of communications.

In closing, I must acknowledge the staff at the national office for their commitment and efforts throughout the year. I would also like to take this opportunity to express my appreciation to our President, Ken Porteous, the members of the Executive and Finance Committee as well as those who Chair our respective standing committees.

Respectfully submitted,



Anne Fowlie  
Executive Vice-President  
March 6, 2008

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# **ORGANIZATIONAL FACTS**

**CANADIAN HORTICULTURAL COUNCIL  
86<sup>TH</sup> ANNUAL MEETING  
“FOOD SECURITY – FOR CANADIANS BY CANADIANS”  
2008 COMMITTEE STRUCTURE**

<b>Committee</b>	<b>Chairmen</b>	<b>Secretaries</b>
Apple and Fruit	Steve Levasseur	Amy Argentino
Crop, Plant Protection and Environment	Gary Brown	Craig Hunter
Human Resources	Doug Connery	Kathleen Paynter
Potato	Keith Kuhl	Chuck Dentelbeck
Research and Technology	Dave Sangster	Dela Erith
Trade and Industry Standards	Dave Jeffries	Andy Gabe
Vegetable	André Plante	Andy Gabe
Finance & Marketing	Robert MacDonald	Anne Fowlie

# **THE CANADIAN HORTICULTURAL COUNCIL**

## **LIST OF OFFICERS AND DIRECTORS OF THE BOARD OF DIRECTORS 2007 - 2008**

- President:** Ken Porteous, Ontario Tender Fruit Producers' Marketing Board,  
RR #1, Simcoe, ON N3Y 4J9
- 1st Vice-President:** Larry Buba, Lewis Farms Ltd., 27115A Twp. Rd. 524, Spruce  
Grove, AB T7X 3M9
- 2nd Vice-President:** Steve Levasseur, Fédération des producteurs de pommes du  
Québec, 44 Route 237N, Freighsburg, QC J0J 1C0
- Past President:** Marcus Janzen, BC Greenhouse Growers Association, 34079  
Clayburn Road, Abbotsford, BC V2S 7T6

### **Executive Committee**

Ken Porteous	Larry Buba
Steve Levasseur	Ronald Piper
Judy Galey	Marcus Janzen

### **Finance Committee**

Murray Porteous	Tony Kirkland
Claude Laniel	Andy Vermeulen
Ray Biln	

### **Directors for 2008 Meeting**

Directors are listed in the section of the Annual Meeting Report entitled "Accredited Representatives".

# PAST PRESIDENTS OF THE CANADIAN HORTICULTURAL COUNCIL

<b>Year</b>	<b>Presidents</b>	<b>(5 Regions)</b>
2007	Ken Porteous	Ontario
2006	Marcus Janzen	British Columbia
2005	Robert MacDonald	Prince Edward Island (Maritimes)
2004	André Turenne	Québec
2003	Doug Connery	Manitoba (Prairies)
2002	Ken Forth	Ontario
2001	Penny Gambell	British Columbia
2000	Don Keenan	New Brunswick (Maritimes)
1999	Robert Allard	Quebec
1998	Dave Jeffries	Manitoba (Prairies)
1997	Jeff Wilson	Ontario
1996	David Hobson	British Columbia
1995	R. Elmer MacDonald	Prince Edward Island (Maritimes)
1994	Jean-Claude Tessier	Québec
1993	Hector Delanghe	Ontario
1992	Greg Gowryluk	Manitoba (Prairies)
1991	James Harris	British Columbia
1990	Jean-Yves Lohé	Quebec
1989	Gerry Long	Ontario
1988	Laurie Hennigar	Nova Scotia (Maritimes)
1987	John Kuhl	Manitoba (Prairies)
1986	Richard Bullock	British Columbia
1985	Michel Legault	Québec
1984	Tony Csinos	Ontario
1983	John MacDonald	Prince Edward Island (Maritimes)
1982	Bill Visser	Alberta (Prairies)
1981	Arnold Pedersen	British Columbia
1980	Keith Collver	Ontario
1979	Pierre Van Winden	Quebec
1978	Jim Gallant	New Brunswick (Maritimes)
1977	Ed Connery	Manitoba (Prairies)
1976	Nigel Taylor	British Columbia
1975	Ron Moyer	Ontario
1974	Ebbis Peill	Nova Scotia (Maritimes)
1973	Gilles Tessier	Québec
1972	Larry Jorgenson	Alberta (Prairies)
1971	Don Wright	Ontario
1970	Allan Claridge	British Columbia
1969	Yves Bolduc	Québec
1968	H.N. Cohoon	Nova Scotia (Maritimes)
1967	Walter Kroeker	Manitoba (Prairies)
1966	John Brown	Ontario
1965	R.L. Burge	Prince Edward Island (Maritimes)
1964	R.P. Walrod	British Columbia

1963	Gérald Beaudin	Québec
1962	John E. Reynolds	Ontario
1961	A.E. Calkin	Nova Scotia (Maritimes)
1960	H.C. Greenlaw	New Brunswick (Maritimes)
1959	A.R. Garrish	British Columbia
1958	W. Daman	Manitoba (Prairies)
1957	M.M. Robinson	Ontario
1956	Marc H. Hudon	Québec
1955	T.L. Meek	Nova Scotia (Maritimes)
1954	W. R. Shaw	Prince Edward Island (Maritimes)
1953	T. Wilkinson	British Columbia
1952	B. M. Wallace	Ontario
1951	B. M. Wallace	Ontario
1950	Roswell Thomson	Québec
1949	R. J. Leslie	Nova Scotia (Maritimes)
1948	F. L. Fitzpatrick	British Columbia
1947	H. L. Craise	Ontario
1946	J. W. Boulter	Prince Edward Island (Maritimes)
1945	J. W. Boulter	Prince Edward Island (Maritimes)
1944	R. D. Sutton	Nova Scotia (Maritimes)
1943	R. E. Godbout	Québec
1942	A. K. Loyd	British Columbia
1941	A. K. Loyd	British Columbia
1940	G. H. Mitchell	Ontario
1939	M. V. McGuire	British Columbia
1938	W. G. Oulton	Nova Scotia (Maritimes)
1937	F. A. Lewis	British Columbia
1936	E. J. Atkin	Ontario
1935	W. J. Tawse	Québec
1934	H. E. Kendall	Nova Scotia (Maritimes)
1933	R. H. Macdonald	British Columbia
1932	W. J. Cooke	Ontario
1931	Thos. Abriel	British Columbia
1930	Chas. Craig	Ontario
1929	Paul Fisher	Ontario
1928	J. H. Lavoie	Québec
1927	J. T. Mutrie	British Columbia
1926	E. B. Luke	Québec
1925	E. B. Luke	Québec
1924	L. H. Taylor	British Columbia
1923	F. W. Bishop	Nova Scotia (Maritimes)
1922	Col. H. L. Roberts	Ontario