

Report of the
APPLE SECTION OF THE
APPLE AND FRUIT COMMITTEE

To the 89th Annual General Meeting of the
CANADIAN HORTICULTURAL COUNCIL
Westin Ottawa, Ottawa, Ontario
March 11, 2011

To the President and Members of the
Canadian Horticultural Council

In 2010 the Apple Working Group had three very productive meetings beginning with the CHC AGM in March, a Mid Summer meeting in August and a Post Harvest meeting in November. It has been an active year with several initiatives either under development or being implemented. In some respects the past year has also been one of waiting for key government decisions.

In March 2010 the AWG finalized a proposal for a five year national removal and replant program for the renewal of the apple industry. This project proposal which also included funding for best management practices, IFP trials and industry conferences was subsequently submitted by the CHC to the federal government's Agri-Flexibility Fund. It took 10 months for an AAFC response which finally arrived in January 2011. It is disappointing that the federal government did not support the application, since a national replant program would have encouraged renewal and innovation in all five apple producing provinces. The federal government has supported a program of removal for apple orchards and vineyards, with no replant component, through the Orchards and Vineyards Transition Program but this program is due to expire on March 31, 2011. It was hoped that an investment to modernize Canada's apple production, both in new production systems and varieties, would be supported as a means to reduce apple acreage loss and provide new opportunities for apple growers. At present BC, Quebec, New Brunswick and Nova Scotia have all had provincial commitment to industry renewal that is either active or expiring. Ontario has never received any provincial investment in replant which may partly explain why acreage loss in the last decade has been dramatic. The AWG has a long history of lobbying for a national replant program and will consider next steps at its March meeting in Ottawa.

In 2010, Canadian apple processors approached the federal government to request the elimination of duties on imported apple juice concentrate. The AWG has formally indicated its opposition to the request out of concerns that the apple industry will be adversely impacted. A final decision on the matter is still not known.

The AWG has finalized the draft of a proposed benchmarking study. Once funding sources are identified it is expected that this project will get underway. A benchmarking study will provide valuable information for the apple industry as it will measure Canadian apple performance in key domestic and export markets and help identify our competitive strengths and challenges

amid the increasing global supply of apples. A number of key studies and strategic plans already exist that will compliment the scope of the benchmarking project.

The AWG continues to hold discussions on the establishment of a National Research and Promotion Agency for Canadian apples. Provisions under the Farm Products Marketing Agencies Act enable commodity groups to establish such agencies that can collect levies on both domestic and imported product. This would enable the apple industry to allocate considerable funding for primary production research, new product development, advertizing and promotion, nutritional research and consumer education. Activities could be national or regional in scope with the overall target being the enhancement of the competitiveness of the Canadian apple industry. At present other horticultural commodities and the Canadian beef sector are developing a similar approach.

The AWG again sponsored the Royal Agricultural Winter Fair Apple competition on November 4 in Toronto, Ontario. Despite weather challenges in most apple growing regions this past year, Canadian apple growers were still able to produce high quality crops. Entries were received from BC, Ontario and Nova Scotia and the event once again generated excitement and drew positive attention to the quality and diversity of Canadian apples. The national apple competition would not succeed without the involvement of growers and organizers alike. The AWG extends its appreciation to Kelly Ciceran, Brian Gilroy and Glen Lucas for their work in staging another great show, and its thanks and congratulations to all growers who participated including those receiving awards for their outstanding fruit. For the 2011 competition, all five member provinces of the AWG will be encouraged to submit entries to the fair.

A multi-year application was recently submitted for the Agri-Marketing program. Each provincial organization of the AWG has been involved in determining the elements best suited to marketing activities that are national in scope and export oriented. Among the planned activities is attendance at the Produce Marketing Association's Fresh Summit Trade show in Anaheim, the Fruit Logistica in Germany and delegations to US Apple meetings and to the Washington State Apple Commission. The Agri-Marketing program is almost entirely export oriented. As such the challenge for the Canadian apple industry is that most promotion and market development activities in the all important domestic market do not qualify for federal program funding. For other horticultural producers the domestic market is equally significant. For any change in policy to occur producers will need to lobby for new programming that addresses domestic marketing beyond Growing Forward.

On August 4-6, Ontario Apple Growers were hosts to a very successful AWG Mid Summer Apple Industry Meeting and Orchard Tour in Oshawa. Following two days of productive meetings attendees were treated to a great dinner at Ocala Winery. The third day included a tour of Archibald's Orchard and Winery, Wilmot Orchards and Algoma Orchards. The tour provided an interesting mix of value added product development and farm diversification, innovative farming practices, replant and variety success, and a demonstration of the latest technology in apple packing. OAG and the many generous sponsors are to be commended for providing a terrific experience for all who attended. Nova Scotia will host the next AWG Mid Summer meeting in August 2011.

As part of the CHC Agri-Science Cluster the AWG had identified post harvest apple research as a top priority. The tree fruit project "Advanced Postharvest Handling and Storage Technology for Canadian Apples" is well underway. Project lead, Dr. Jennifer DeEil (OMAFRA), is now completing the first full year of cold storage variety testing and storage trials using the latest technology and products for the prevention of storage scald in apples. At the Mid Summer

meetings, AWG members assisted Dr. DeEll in determining which apple varieties would be used for testing and in the selection of provincial storage sites for scald trails. First year results are expected later this spring.

The past year also yielded another direction on apple research. Each member association of the AWG was requested to provide letters of support for a national project that will measure pesticide resistance of current use fungicides for the control of apple scab and powdery mildew. This project involving, collaborative efforts in several provinces will be administered by Ontario Apple Growers and submitted to the Canadian Agricultural Adaptation Program for funding. The AWG has also provided a letter of support.

On behalf of the AWG members I wish to thank the CHC staff for their ongoing support, and in particular the work of Amy Argentino for her efforts and attention to the priorities of the committee. I would also like to thank Farid Makki our master statistician at AAFC who continues to provide valuable information, advice and guidance on so many important matters. To the members of the AWG, I thank you for your commitment to representing a great industry.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joe Sardinha". The signature is written in a cursive, flowing style.

Joe Sardinha,
Chair, Apple and Fruit Committee
March 11, 2011