



Annual Report



October 31st, 2016



VISION

Ontario Apples...a healthy consumer...a healthy industry.

MISSION

To foster a viable apple industry through advocacy with government and collaboration with partners for the health of consumers and the wealth of producers.

**THIRTEENTH ANNUAL REPORT OF THE
ONTARIO APPLE GROWERS**

Table of Contents

COMMENTS FROM THE CHAIR..... 1
CROP AND MARKET REVIEW 3
CROP ESTIMATE 5
MARKETING SURVEY..... 5
2016 OAG MEMBERSHIP 7
APPLE STATISTICS 8
RISK MANAGEMENT..... 15
PROMOTIONS..... 17
GROWER INFORMATION & COMMUNICATIONS 18
INDUSTRY COMPETITIVENESS 19
NATIONAL REPORTS 26
DIRECTORS & STAFF 29



COMMENTS FROM THE CHAIR



On October 30th, 2016, as I write this report, I have one week left of harvest. In my 41 years in the apple business, this has been the latest harvest, as well as, the hottest and driest one that I can remember. A fellow apple farmer and friend of mine very effectively described this apple harvest as “the good, the bad and the ugly”. In most growing areas of Ontario, it was a great spring for pollination and cell division. Then, as we know, it turned hot and dry in most regions. The excessive heat in July and August caused some trees to shut down and even killing some, creating a late and ugly harvest with poor colour and size, especially on Gala apples. After last year’s poor crop yield, this was not the year I had hoped for the Ontario apple industry to experience. Unfortunately, the effects of this growing season could linger into next year. This year also showed us which varieties have been compromised by the damage of the past few winters and sadly one of our most marketable apples in Ontario, the Gala, is one of them. On a positive note, we have some of the sweetest apples this year that should make for easy and return sales.

Dr. George Brinkman, an economics professor with the University of Guelph, once lectured that farmers should look at their market and grow the crop to fit. Gala makes up 50% of retail sales in Ontario. Our challenge, as growers, is to learn new ways to consistently grow a better Gala to meet this market. It is my intent to push for more research into the chemical thinning and winter hardiness of the Gala apple to meet the market demand.

This leads me into my next topic - Apple Crop Protection. There have been many re-evaluations of some of our most valued crop protection materials, such as Captan, Thiram and Metiram this year. PMRA advises that the final decision on these re-evaluations will be known by the end of 2018. Sevin, used as a critical part of apple thinning, had its final assessment published in March of 2016. We are awaiting confirmation on how long growers in Canada have to use old labeled products. The new labeling on the active ingredients applied in a given year has been restricted and now only one full spray with an REI of 14 days is allowed. Sevin, as a product for use on apples, was to be removed entirely but, with the help of the OFVGA, Kristy Grigg-McGuffin from OMAFRA and the great response from the OAG’s member survey, we have been able to keep this product. This did not happen without some changes to the label. A more restricted use pattern will be implemented compared to our competition in the United States. In response to this restriction, a new stand-alone thinner, called Brevis, should help reduce our dependence on Sevin. Brevis (made by Adama) is currently not registered in North America. We need Adama’s support first, but OAG representatives are willing to push hard for its registration at the Minor Use Meeting in March 2017.

Most diseases and pests were under control in Ontario this year with the exception of fire blight. We learned the hard way that heat alone with little moisture will produce major infections. Monitoring the weather and control measures is critical as this bacterial disease is a grower’s worst nightmare. We continue to have good support from OMAFRA with the weekly Fire Blight Predictive Maps which are generated by Mike Celetti and his team and emailed to members. Additionally, we have a project underway with OMAFRA and AAFC to gain information on the prevalence and distribution of fire blight resistance, evaluate the impact of cultural practices and develop strategies for integrating newly applicable products for management of fire blight in Ontario’s apple and pear orchards. There is a preliminary report under the research section of this annual report on this research project and many others that we have undertaken this year. My thanks are extended to the many researchers and extension staff that work on apples on our behalf. We have a good relationship

with them and look forward to continuing the partnerships. Thanks also to Cathy McKay, Vice Chair and the OAG Research Committee Chair.

OAG continues to work with Agricornp on ensuring that the needs of the apple sector are being meet with regards to production insurance. Our overarching goal is to have a plan that is responsive to the apple sector needs and reduce the complexity of the current plan. Thanks to Brett Schuyler and the Risk Management Committee for their work this year. We are pleased that enhancements to the tree plan have been implemented for 2017. Our work with Agricornp will continue as we work together on improvements to the plan.

Marilyn Sewell has retired from the Ontario Farm Products Marketing Commission this fall. She has been the OAG's analyst since before it was formed in 2004. We wish Marilyn all the best in her retirement and look forward to working with our new analyst, James Corpuz.

The staff at the OAG continue to utilize the funding programs that are available to benefit the apple sector. We have been able to access funding on both a national and provincial level for apple research and promotional activities. As Growing Forward 2 enters its final year, time will tell what the next installment of agricultural policy programming will look like. We will continue to communicate the needs of the apple sector on your behalf.

My thanks are sincerely extended to the Ontario Apple Growers Board of Directors and our staff for their continued commitment to the organization and the sector.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Charles R. Stevens". The signature is written in black ink and is positioned above the printed name and title.

Charles R. Stevens
Chair, OAG

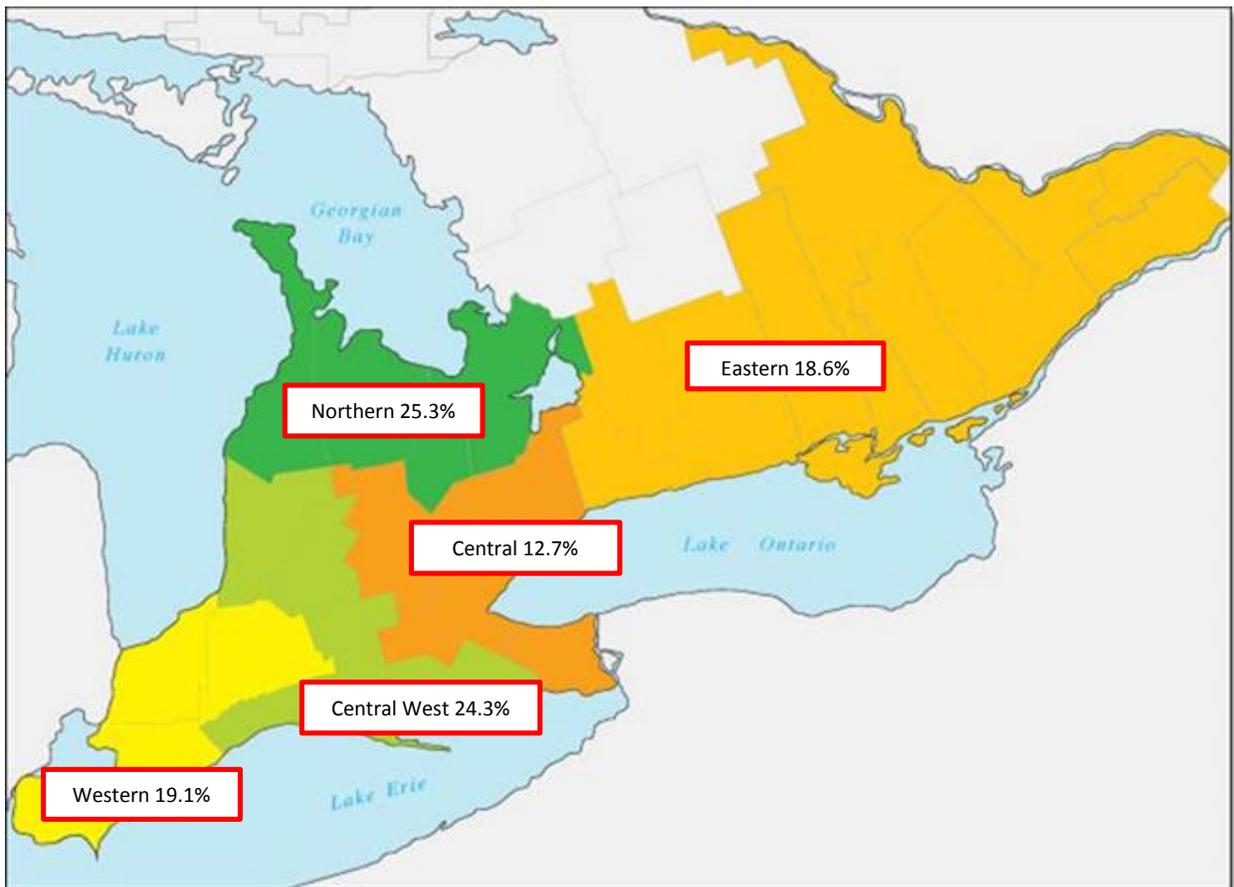
THIRTEENTH ANNUAL REPORT OF THE ONTARIO APPLE GROWERS

CROP AND MARKET REVIEW

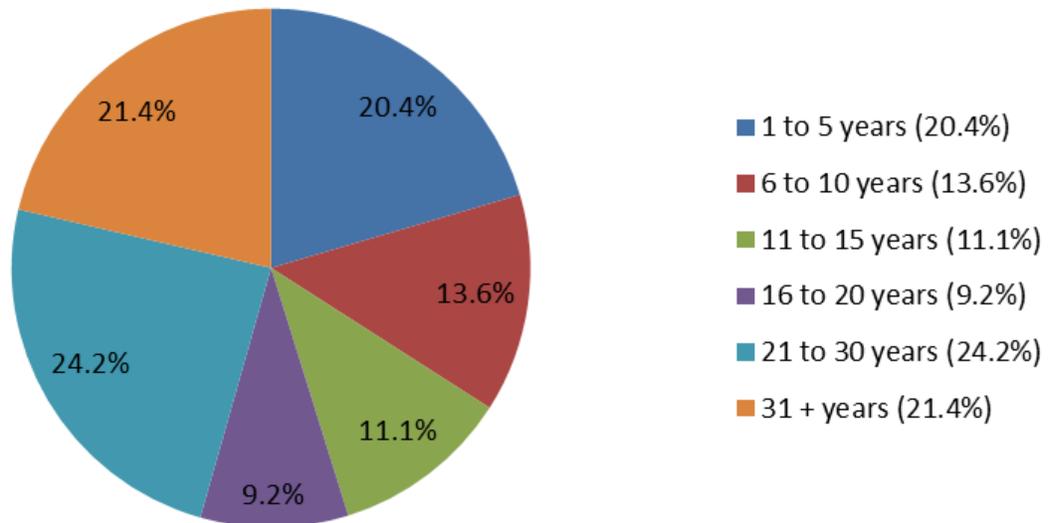
Tree Census

Tree census information (as of December 31st, 2015) is included on pages 12 and 13. This information is based on Agricorp's GPS mapping and information on total acreage provided by Statistics Canada. Agricorp continues to manage the ADaMS system in partnership with the OAG. The system provides reports on plantings by age, by variety and by district for all OAG members. Statistics Canada estimated that there are a total of 15,800 bearing and non-bearing acres in Ontario in 2015. The assumption has been made that the variety mix for the remaining acres were about the same as for those that were mapped.

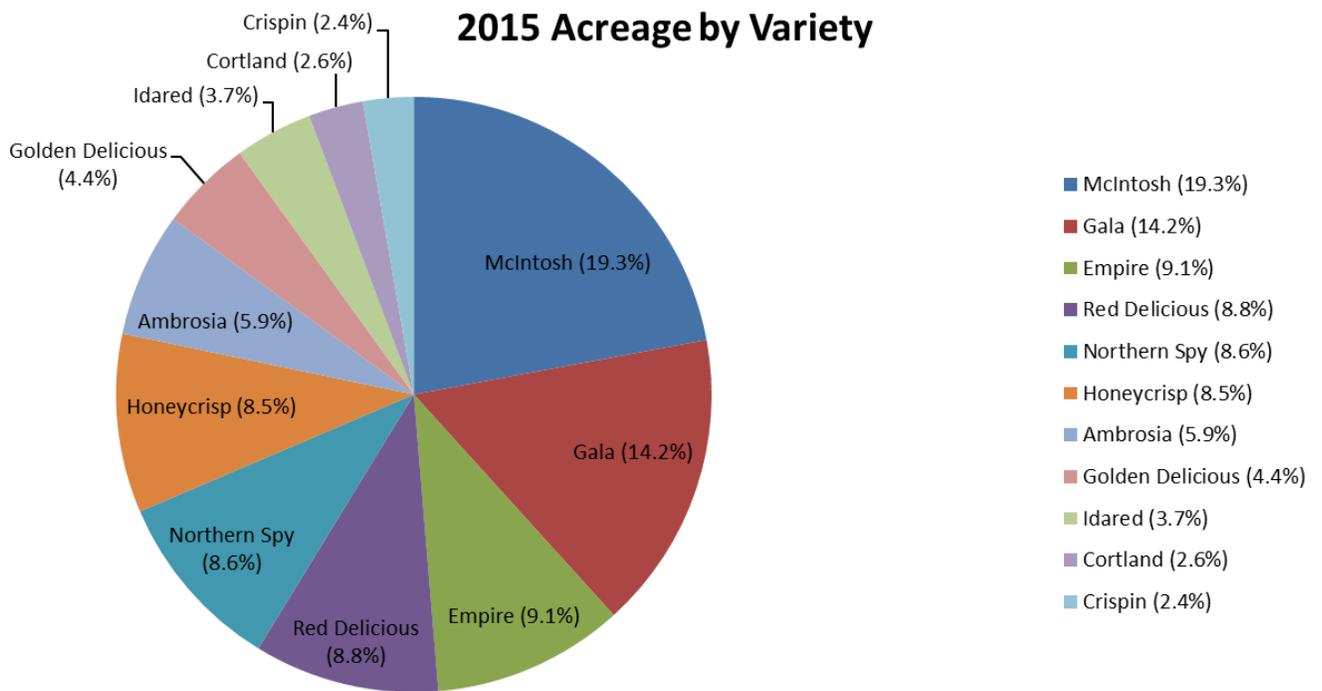
2015 Ontario Acreage by District



2015 Apple Acreage by Age



2015 Acreage by Variety

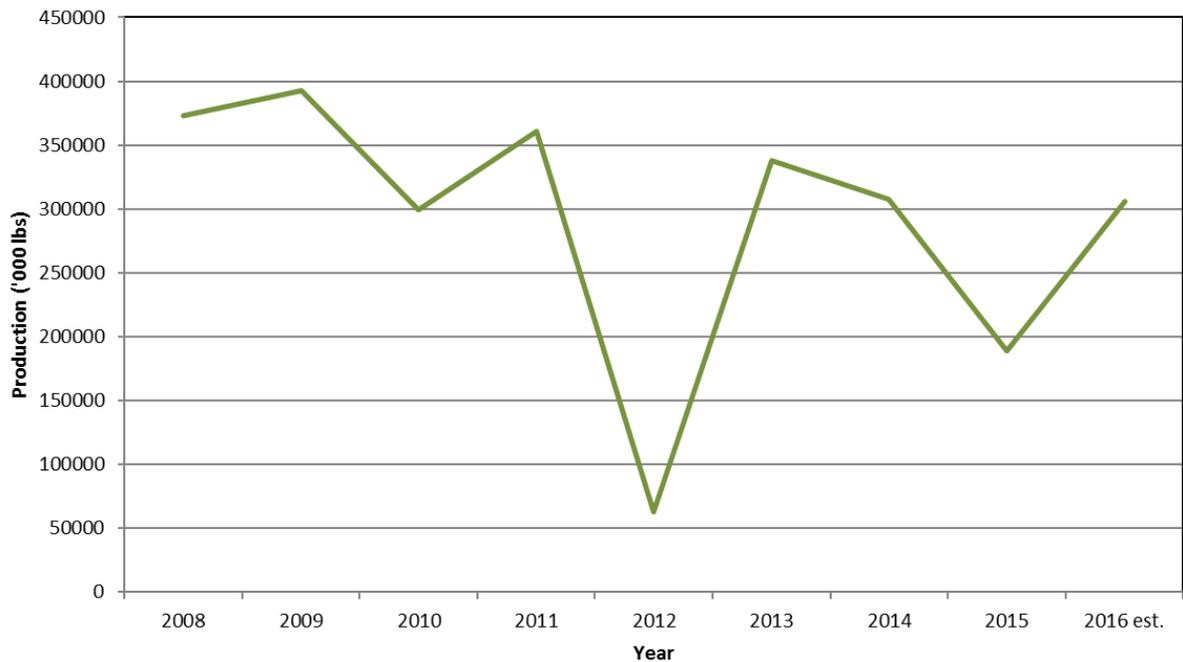


Crop Estimate

Ontario Apple Production – 2011 TO 2016		
	Production ('000 lbs)	% Change From Previous Year
2011	361,048	20.7%
2012	63,143	-82.5%
2013	399,506	532.7%
2014	328,204	-17.8%
2015	203,533	-38.0%
2016 estimate*	305,947	
5 Yr Avg ('11 –'15)	271,087	

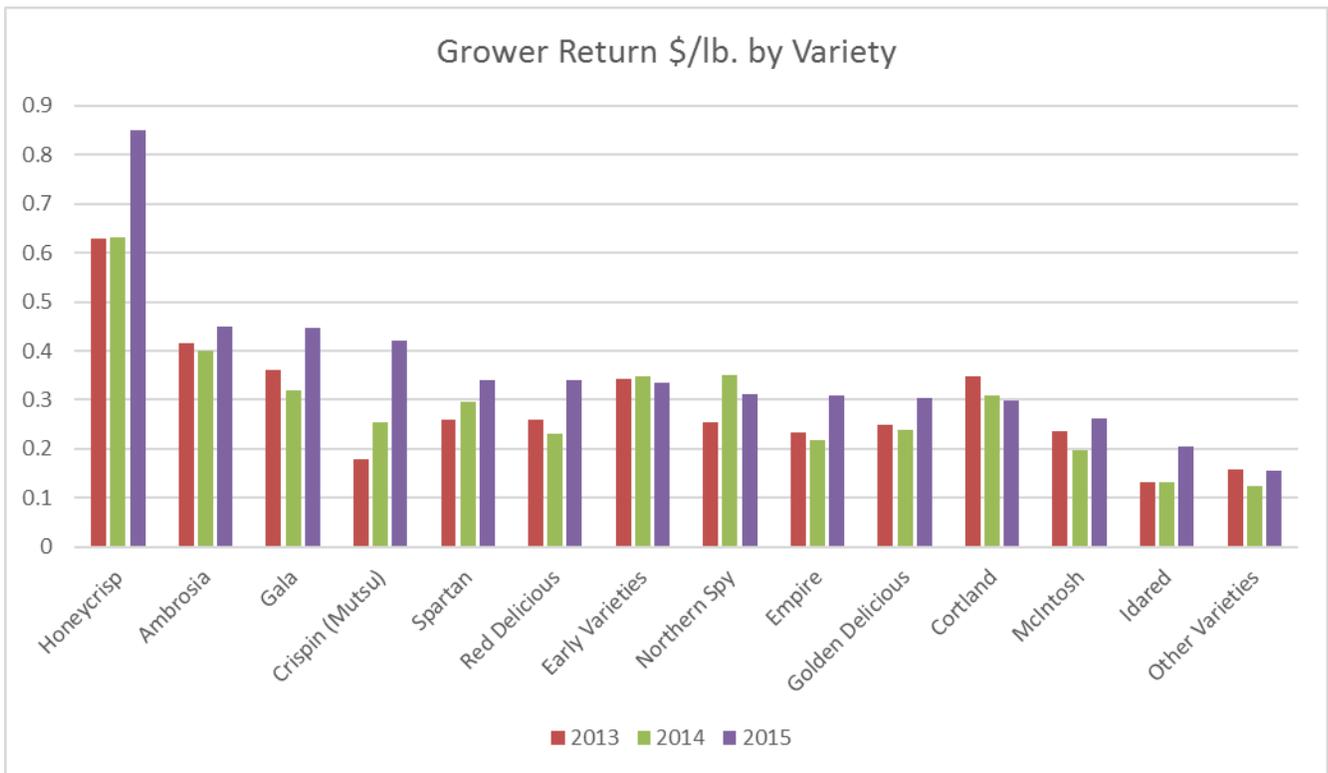
Source: OAG Annual Apple Marketing Survey and Apple Yield Estimate Survey
 * Excludes orchard juice estimated volumes at this time

Ontario Apple Production 2008 to 2016 (e)



Marketing Survey

The results of the 2015 marketing survey include comparative figures from the 2014 year. The survey provides the industry average returns per pound and per bin (820 lbs.) by variety and represents the prices for 100% of the apples in the bin, not just those for the fresh market pack out. With this information, growers and packers can compare their results with the average. This information also provides valuable information for government programming. More detail is provided beginning on page 9 of this report.



Flyer Ad Tracking

The OAG tracks apple flyer ad activity at major retail. We record retail chain, variety, pack (bulk or bag), price/lb. and country of origin. This information is shared with the apple packers on a weekly basis.

Storage Holdings

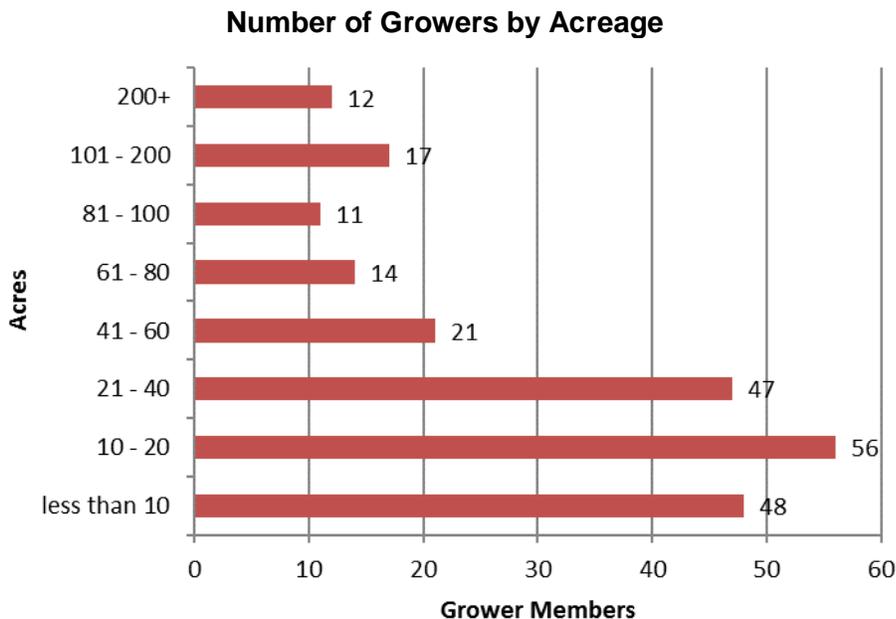
The OAG continues to collect storage holdings for the industry. As always, individual storage holder data is kept confidential. Similar information is collected in other apple producing provinces. This information is entered into AAFC's InfoHort system and published on their website. The OAG summarizes the Canadian data and combines it with similar statistics on the U.S. crop and provides it to the marketers, storage holders and our grower members. The OAG thanks all the storage cooperators for their excellent participation.



2016 OAG MEMBERSHIP

Each District has a District Apple Producers' Committee and each District may elect one committee person for each 20 growers. If the District is not a multiple of 20, then there shall be one grower representative for each 20 growers plus one additional representative. On or before December 31st of each year, each District Apple Producers' Committee will elect two members to the board of directors of the Ontario Apple Growers. Based on the current membership, the number of growers to be elected to the District Committees is as follows:

District	Grower Members	District Committee Representatives
District 1	41	3
District 2	36	3
District 3	40	3
District 4	32	3
District 5	29	3
Total - Members	178	15
Voluntary Members	48	
Total - All Members	226	



APPLE STATISTICS

2015 APPLE CROP ESTIMATE

Varieties	2014 Production ('000 lbs.)	2015 Production** ('000 lbs.)	2016 Production ('000 lbs.)	% Change 2016 vs. 2015
Other Early Varieties	4,649	3,576	6,512	82.1%
Ambrosia	5,051	7,388	14,544	96.9%
Cortland	7,605	5,688	8,310	46.1%
Crispin/Mutsu	2,555	1,411	2,527	79.1%
Empire	50,935	18,727	46,881	150.3%
Fuji	1,407	1,359	2,403	76.9%
Gala	23,007	22,564	41,134	82.3%
Golden Delicious	8,022	5,839	9,460	62.0%
Honeycrisp	25,060	17,926	24,596	37.2%
Idared	13,686	5,330	7,177	34.6%
McIntosh	75,586	44,353	57,252	29.1%
Northern Spy	46,969	28,321	46,389	63.8%
Red Delicious	25,060	13,522	26,585	96.6%
Spartan	7,201	7,160	5,248	-26.7%
Other Varieties	10,425	5,842	6,928	18.6%
Total Fresh	307,217	189,006	305,947	61.9%
Orchard Juice*	20,987	14,527		
All Varieties	328,204	203,533	305,947	
* Orchard juice estimated volumes for 2016 are provided in November 2017				
** 2015 Ontario apple production was significantly impacted by severe weather conditions causing reductions in crop yields which varied by variety and across growing regions.				



2015 ONTARIO APPLE PRODUCTION BY UTILIZATION

PRODUCTION (LBS.)								
Variety	Fresh		Orchard Juice		Other Processing		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
Ambrosia	7,361,363	4,951,548			26,137	99,912	7,387,500	5,051,460
Cortland	4,790,791	6,973,430			897,259	631,540	5,688,050	7,604,970
Crispin (Mutsu)	1,159,727	2,425,230			251,063	130,140	1,410,790	2,555,370
Early Varieties	2,912,942	4,531,660			663,538	117,470	3,576,480	4,649,130
Empire	17,205,394	47,870,797			1,521,496	3,064,613	18,726,890	50,935,410
Fuji	1,336,689	1,406,277			21,921	373.0	1,358,610	1,406,650
Gala	22,350,327	22,596,865			213,373	409,955	22,563,700	23,006,820
Golden Delicious	5,694,906	7,362,930			143,644	658,890	5,838,550	8,021,820
Honeycrisp	17,702,515	25,059,680			223,845	-	17,926,360	25,059,680
Idared	1,125,321	7,773,125			4,204,719	5,913,015	5,330,040	13,686,140
McIntosh	31,143,034	64,951,855			13,209,746	10,633,775	44,352,780	75,585,630
Northern Spy	13,186,848	34,243,862			15,134,452	12,725,198	28,321,300	46,969,060
Red Delicious	13,185,590	24,840,707			336,590	219,173	13,522,180	25,059,880
Spartan	6,333,888	6,616,780			826,572	583,810	7,160,460	7,200,590
Other Varieties	4,847,370	9,076,530			994,530	1,348,340	5,841,900	10,424,870
Total	150,336,705	270,681,276	14,527,000	20,986,871	38,668,885	36,536,204	203,532,590	328,204,351

2015 ONTARIO APPLE GROWER PRICE PER LB.

GROWER PRICE (\$/LB)								
Variety	Fresh (\$)		Orchard Juice Processing (\$)		Other Processing (\$)		Average Fresh and Other Processing (\$)	
	2015	2014	2015	2014	2015	2014	2015	2014
Ambrosia	0.451	0.405			0.120	0.120	0.449	0.399
Cortland	0.327	0.326			0.149	0.118	0.299	0.309
Crispin (Mutsu)	0.473	0.263			0.178	0.116	0.421	0.255
Early Varieties	0.349	0.355			0.275	0.115	0.335	0.349
Empire	0.321	0.226			0.163	0.115	0.308	0.219
Fuji	0.359	0.269			0.115	0.115	0.355	0.269
Gala	0.450	0.322			0.116	0.115	0.447	0.319
Golden Delicious	0.309	0.251			0.115	0.116	0.304	0.240
Honeycrisp	0.859	0.631			0.115	-	0.849	0.631
Idared	0.267	0.139			0.189	0.122	0.206	0.132
McIntosh	0.298	0.211			0.181	0.115	0.263	0.198
Northern Spy	0.404	0.402			0.231	0.209	0.312	0.350
Red Delicious	0.343	0.232			0.232	0.115	0.340	0.231
Spartan	0.356	0.313			0.222	0.113	0.341	0.297
Other Varieties	0.150	0.124			0.178	0.130	0.155	0.125
Avg. Grower Price - All Utilization (\$/lb)	0.400	0.296	0.102	0.055	0.172	0.150	0.350	0.265
Avg. Transaction - All Utilization (\$/lb)	0.475	0.357	0.102	0.055	0.192	0.170	0.395	0.317

2015 ONTARIO APPLE GROWER VALUE

GROWER VALUE \$								
Variety	Fresh (\$)		Orchard Juice (\$)		Other Processing (\$)		Total (\$)	
	2015	2014	2015	2014	2015	2014	2015	2014
Ambrosia	3,317,414	2,005,037			3,142	11,960	3,320,556	2,016,997
Cortland	1,565,122	2,274,053			133,740	74,252	1,698,862	2,348,305
Crispin (Mutsu)	548,866	637,326			44,664	15,124	593,531	652,450
Early Varieties	1,015,390	1,609,801			182,269	13,509	1,197,659	1,623,310
Empire	5,514,834	10,827,697			248,360	352,349	5,763,194	11,180,047
Fuji	480,339	378,590			2,521	43	482,860	378,632
Gala	10,067,418	7,286,550			24,738	47,145	10,092,156	7,333,694
Golden Delicious	1,758,588	1,848,823			16,555	76,299	1,775,143	1,925,122
Honeycrisp	15,198,487	15,809,854			25,802	-	15,224,290	15,809,854
Idared	300,809	1,084,320			796,057	723,320	1,096,866	1,807,641
McIntosh	9,266,238	13,717,467			2,388,197	1,226,514	11,654,436	14,943,981
Northern Spy	5,327,487	13,765,809			3,498,761	2,657,582	8,826,247	16,423,390
Red Delicious	4,518,399	5,754,257			78,043	25,205	4,596,442	5,779,462
Spartan	2,255,096	2,070,045			183,866	65,694	2,438,962	2,135,739
Other Varieties	725,865	1,127,416			176,840	174,827	902,705	1,302,242
Total Grower Value	61,860,354	80,197,044	1,475,499	1,154,278	7,803,555	5,463,823	71,139,409	86,815,145
Total Transaction Value	71,436,095	96,733,947	1,475,499	1,154,278	7,424,310	6,194,547	80,335,905	104,082,772

Notes:

1. The above marketing data is based on a survey of six major Ontario apple marketers.
2. Juice production is estimated and reported as a total of the crop versus by variety as there is no way to determine the actual volume by variety.
3. Orchard juice price per lb. is the minimum negotiated price and could include any incentives.
4. Transaction price for non-juice uses a factor of 2 cents added to the grower non-juice price.
5. Total transaction value for fresh is determined using the combined bag and tray net return (before grower deductions) and takes into consideration the total pack out percentage from the 2014 marketer's survey.

2015 Ontario Apple Tree Acreage By Variety, By District								
Variety Name	1 Western	2 Central West	3 Northern	4 Central	5 Eastern	Total Acreage	% of Total Crop	2014 % of Total Crop
McIntosh	218	595	1,370	231	628	3,043	19.3%	20.1%
Gala	458	599	149	381	656	2,243	14.2%	13.4%
Empire	327	612	200	108	196	1,443	9.1%	9.7%
Red Delicious	342	419	86	265	286	1,398	8.8%	9.0%
Northern Spy	74	383	823	44	41	1,366	8.6%	9.1%
Honeycrisp	219	312	251	179	387	1,347	8.5%	7.6%
Ambrosia	291	181	157	123	183	934	5.9%	4.8%
Golden Delicious	349	145	8	137	52	691	4.4%	4.6%
Idared	109	133	241	26	70	578	3.7%	4.0%
Other	56	66	243	82	40	487	3.1%	3.0%
Cortland	42	93	121	77	82	414	2.6%	2.7%
Crispin/Mutsu	114	89	26	129	23	381	2.4%	2.5%
Spartan	12	42	153	19	48	274	1.7%	1.9%
Fuji	120	45	11	40	16	232	1.5%	1.3%
Paulared	42	39	15	22	99	217	1.4%	1.3%
Mixed	43	11	5	68	64	191	1.2%	1.2%
Ginger Gold	65	31	8	25	27	156	1.0%	1.0%
Jonagold	36	25	13	27	1	102	0.6%	0.7%
Jerseymac	15	2	70	5	2	93	0.6%	0.6%
Golden Russet	14	3	16	13	25	70	0.4%	0.5%
Jonamac	46	1	7	2	0	56	0.4%	0.5%
Earligold	7	3	23	2	8	43	0.3%	0.3%
Marshall Mac	6	13	2	5	15	41	0.3%	0.3%
TOTAL	3,004	3,843	3,996	2,008	2,949	15,800	100%	100%

Notes: Includes bearing and non-bearing acreage in Ontario.

Sources: Agricorp/OAG ADaMS DMS System and Statistics Canada, CANSIM Table 001-0009

See Ontario Apple Growing Regions section in this annual report for a more detailed description of Districts 1 to 5 above.

Other includes: Aurora Golden Gala, Braeburn, Camio, Cox's Orange Pippin, Crimson Crisp, Cripps Pink, Creston, Earligold, Elstar, Fortune, Goldrush, Granny Smith, Liberty, Lobo, Lodi, Macoun, Melba, Novaspy, Quinte, Red Prince, Rome, Roxbury Russet, Shizuka, Silken, Snow, Sunrise, Tolman Sweet, Transparent, Tydeman Red, Viking, Vista Bella, Wealthy, Winesap, Zestar.

2015 Ontario Apple Tree Acreage By Variety, By Tree Age								
Variety Name	1 - 5 Years (2011-2015)	6 - 10 Years (2006-2010)	11 - 15 Years (2001-2005)	16 - 20 Years (1996-2000)	21 - 30 Years (1986-1995)	31 Years and Over (Pre-1985)	Total Acreage	% of Total Crop
McIntosh	138	197	299	205	1,055	1,148	3,043.03	19.3%
Gala	1,225	325	303	252	120	18	2,243.14	14.2%
Empire	35	61	89	171	761	325	1,442.80	9.1%
Red Delicious	279	57	77	159	439	387	1,397.69	8.8%
Northern Spy	115	64	84	180	458	465	1,365.89	8.6%
Honeycrisp	448	562	288	44	5	-	1,347.05	8.5%
Ambrosia	479	316	139	-	-	-	934.23	5.9%
Golden Delicious	94	72	154	92	172	106	691.49	4.4%
Idared	4	3	15	20	178	359	578.07	3.7%
Cortland	61	64	41	55	101	92	414.18	2.6%
Crispin/Mutsu	22	36	83	60	92	88	381.09	2.4%
Spartan	8	14	3	20	114	116	273.92	1.7%
Fuji	112	23	22	29	36	9	231.56	1.5%
Paulared	49	28	6	12	46	76	217.32	1.4%
Mixed	10	15	28	26	65	46	190.70	1.2%
Ginger Gold	30	29	27	52	17	0	155.73	1.0%
Other	103	248	70	16	13	37	486.87	3.1%
Jonagold	9	9	7	18	49	10	102.30	0.6%
Jerseymac	-	2	0	4	46	41	92.70	0.6%
Golden Russet	1	4	6	23	19	17	70.25	0.4%
Jonamac	1	3	0	-	18	34	56.38	0.4%
Earligold	-	3	10	16	11	3	42.79	0.3%
Marshall Mac	6	13	7	-	15	-	40.82	0.3%
TOTAL	3,230	2,151	1,758	1,455	3,830	3,376	15,800	100%

Notes: Includes bearing and non-bearing acreage in Ontario.

Sources: Agricorp/OAG ADaMS DMS System and Statistics Canada, CANSIM Table 001-0009

Other includes: Aurora Golden Gala, Braeburn, Camio, Cox's Orange Pippin, Crimson Crisp, Cripps Pink, Creston, Earligold, Elstar, Fortune, Goldrush, Granny Smith, Liberty, Lobo, Lodi, Macoun, Melba, Novaspy, Quinte, Red Prince, Rome, Roxbury Russet, Shizuka, Silken, Snow, Sunrise, Tolman Sweet, Transparent, Tydeman Red, Viking, Vista Bella, Wealthy, Winesap, Zestar.

IMPORTS OF FRESH APPLES 2015 (LBS)									
PROVINCE	EMPIRE	GALA	GOLDEN DELICIOUS	GRANNY SMITH	IDA RED	MCINTOSH	RED DELICIOUS	UNSPECIFIED	TOTAL
Alberta		1,506,895	64,199	206,165			133,582	288,717	2,199,558
British Columbia	25,137	58,039,269	7,990,017	23,999,593	39,178		23,167,725	42,281,208	155,542,127
Manitoba		866,909	22,589	105,112		156,720	67,973	58,429	1,277,732
New Brunswick		80,213	32,811	116,278		6,541	62,179	151,418	449,440
Nova Scotia		943,524						994,440	1,937,965
Ontario	1,319,452	75,724,786	10,569,579	31,717,786	220,980	548,827	26,861,474	32,151,905	179,114,788
Québec	1,136,140	12,021,702	941,942	8,534,285	946,095	3,225,917	1,981,488	8,351,187	37,138,755
Saskatchewan		1,003,109	930	50,565			70,689	83,324	1,208,617
Total By Variety	2,480,729	150,186,409	19,622,066	64,729,784	1,206,253	3,938,005	52,345,111	84,360,626	378,868,982

Ontario - 2014	1,014,037	80,012,865	13,248,181	29,956,639	817,907	132,352	23,102,319	29,404,452	177,688,752
Ontario - 2015 vs. 2014	30%	-5%	-20%	6%	-73%	315%	16%	9%	1%
Total By Variety - 2014	1,436,275	151,241,956	24,128,100	61,691,690	1,128,854	845,688	48,872,153	77,207,790	366,552,505
Total By Variety - 2015 vs. 2014	73%	-1%	-19%	5%	7%	366%	7%	9%	3%

IMPORTS OF FRESH APPLES - 4 YEAR AVERAGE 2011-2015 (LBS)									
PROVINCE	EMPIRE	GALA	GOLDEN DELICIOUS	GRANNY SMITH	IDA RED	MCINTOSH	RED DELICIOUS	UNSPECIFIED	TOTAL
Alberta		1,745,388	56,390	304,245		3,958	138,081	404,382	2,652,443
British Columbia	5,027	49,534,499	10,312,375	21,368,897	27,847	63,107	20,351,158	37,643,388	139,306,298
Manitoba		448,794	27,091	77,227		297,394	63,197	165,588	1,079,290
New Brunswick	28	525,472	176,957	390,440		8,145	275,382	446,830	1,823,255
Nova Scotia		676,610		129,218				785,722	1,591,550
Ontario	1,089,151	80,810,982	11,801,353	30,653,234	362,704	276,573	21,562,691	38,920,004	185,476,693
Québec	769,778	16,106,512	2,138,111	7,829,648	1,609,155	849,779	2,937,861	8,413,180	40,654,023
Saskatchewan		431,631	5,698	41,409		89,919	34,419	70,811	673,885
Total by Variety	1,863,985	150,279,888	24,517,975	60,794,317	1,999,705	1,588,874	45,362,788	86,849,903	373,257,435

Ontario - 2015 vs. 5 Year Average	21%	-6%	-10%	3%	-39%	98%	25%	-17%	-3%
Total By Variety - 2015 vs. 5 Year Average	33%	0%	-20%	6%	-40%	148%	15%	-3%	2%

Note: The province denotes the port of entry and may not necessarily reflect the final provincial destination of imported apples.

Source: Statistics Canada

RISK MANAGEMENT

The Risk Management Committee and Board aims to ensure that government cost-shared programs are meeting the needs of the apple farmers. Following is a review of the current programming.

Agri-Insurance - Production Insurance covers production losses and yield reductions caused by insured perils. Depending on the plan, coverage is available on a total-yield, dollar-value, or acreage-loss basis. Producers can choose the type and level of coverage that best meets their needs. The Risk Management Committee’s priority is to communicate to government the needs and ensure a production insurance plan that is responsive to the changing needs of the Ontario apple sector. One area of focus is on improving the Tree Rider. We are pleased to report that for 2017 apple farmers will see enhancements to the apple plan including more coverage for trees. Apple farmers will have the option to buy additional coverage for their trees. Newly planted orchards are also now eligible to enroll in the program. We would like to thank Agricornp for working with us to make these needed changes.

Apple Crop Insurance, 2011 – 2016 (as of October 4th, 2016)

Crop Year	Number of Accounts	Liability (\$000's)	Total Premiums* (\$000's)	Grower Share of Premiums (\$000's) (a)	Total Claims** (\$000's) (b)	Net Benefit to Growers (\$000's) (b) – (a)
2016	142	\$49,843	\$7,535	\$3,925	unknown	unknown
2015	140	\$45,427	\$7,077	\$3,432	\$13,735	\$10,303
2014	143	\$41,128	\$7,868	\$4,112	\$2,828	(\$1,284)
2013	144	\$33,755	\$7,053	\$3,675	\$4,632	\$957
2012	140	\$34,866	\$3,482	\$1,528	\$26,858	\$25,312
2011	139	\$28,473	\$3,657	\$1,916	\$3,036	\$1,120
5-Year Average (2011-2015)	141	\$36,730	\$5,827	\$2,933	\$10,218	\$7,282

* Total grower and government premiums

**Claims data refers to approved claims only

AgriStability - AgriStability covers margin declines caused by any combination of production losses, adverse market conditions or increased costs. If a producer’s margin falls below 70% of their recent average, AgriStability helps to offset the difference. The following table shows Apple AgriStability Program participation and payments. Reporting is done by sector and can fluctuate year to year, as the annual sector determination is based on program-year reported income. Sector determination (apple, G&O, cattle, etc.) is based on income at or greater than 50% of total reported income in the program year. This means that an “apple” producer could be reported as a grain and oilseed producer (for example) if their apple income is less than 50% of their total reported income in a given year.

AgriStability Apple Statistics

(as of October 7, 2016)

Year	Processed	Payments	Total \$	Average
2011	212	44	\$1,534,914	\$34,884
2012	208	89	\$2,343,273	\$26,329
2013	183	30	\$1,197,289	\$39,910
2014	193	53	\$1,579,291	\$29,798
2015	154	8	\$991,639	\$123,955

Note: Processing statistics represent files processed as of October 7th, 2016. Potential for additional Apple file processing and payments is possible as processing for 2015 continues.

Risk Management Plan for Edible Horticulture – The Risk Management Plan (RMP) for edible horticulture allows participants to deposit funds into an RMP account, receive government contributions and withdraw funds to cover risks to their farm business. To be eligible, producers must grow and sell at least one of the more than 100 eligible commodities, have an ANS of least \$5,000, file a T1163 to CRA or Statement A to Agricorp, be farming 6 months in the taxation year, and have a premise ID. Beginning in 2015, AgriStability is not required to participate in SDRM.

Introduced in 2013 was the \$100 million in annual government funding available through RMP to be distributed across all six RMP programs including edible horticulture, grains and oilseeds, cattle, hogs, veal, and sheep. Government contributions were made in two installments. The first government contribution was made from September to February and the additional government contribution was made in June.

SDRM as of August 14, 2016

- Under the 2015 RMP: Edible Horticulture plan, governments funds of \$22.51 million were deposited in SDRM accounts. The matching government contributions were equal to 72% of deposits.
- Under the 2014 RMP: Edible Horticulture plan, governments funds of \$23.64 million were deposited in SDRM accounts. The matching government contributions were equal to 87.5% of deposits.
- Under the 2013 RMP: Edible Horticulture plan, governments funds of \$20.82 million were deposited in SDRM accounts. The matching government contributions were equal to 86% of deposits.

AgriInvest - AgriInvest is a savings account that producers can use to either cover small income declines or support other investments. Each year, producers can deposit up to 1.0 percent of their ANS into a bank account and receive a matching government contribution. Producers can withdraw funds at any time.

Commodity Loan Program (CLP) & Advance Payments Program (APP)

Apple growers currently have access to two government cash advance programs through Agricultural Credit Corporation. Both programs are available to all apple growers in Ontario.

The **Commodity Loan Program (CLP)** is a provincial government cash advance program that provides up to \$750,000 of available financing at bank prime rate (currently 3%). The program begins January of each year, and advances are required to be paid the following year in February. Producers must utilize production insurance to participate.

The **Advance Payments Program (APP)** is a federal government cash advance program that provides up to \$400,000 in available financing to producers with the first \$100,000 interest free and the balance at the bank

prime rate. Apple growers can access this program starting April 1st of each year based on anticipated production using either Production Insurance or AgriStability insurance. After October 1st of each year, security may be based on inventory on hand, without the Production Insurance or AgriStability requirement.

Major improvements have been made for both programs in 2016/17. Five advance/loan rates are now available ranging from 9 cents to 31 cents per pound for the APP program and from 13 cents to 46 cents per pound for the CLP program. These price levels recognize higher priced apple varieties. Producers who are interested can now apply over the phone with the ACC office for either program and have ACC do the paper work for them. For further information, please contact our office at 1-888-278-8807 or visit www.agcreditcorp.ca for details and updates.

PROMOTIONS

The Ontario Apple Growers work in collaboration with Foodland Ontario and the Apple Marketers' Association of Ontario (AMAO) on promotional programs to entice consumers to purchase Ontario apples. This year, we were very fortunate to have Local Food Fund program funding from the Ontario Ministry of Agriculture, Food and Rural Affairs which provided 50% of the cost to assist us with our promotional initiatives.

Foodland Ontario Promotions

2016 Foodland Calendar – Over 500,000 calendars distributed. Ontario Apples were featured as the main ingredient in three recipes in the 2016 calendar (January, September and December).

Foodland Retailer Display Contest – an exciting opportunity for store produce managers to jazz up their apple displays and enter to win prizes from Foodland Ontario. The bonus for the Ontario apple growers is increased sales while the displays are in stores. There were 358 entries in Fall 2015 which



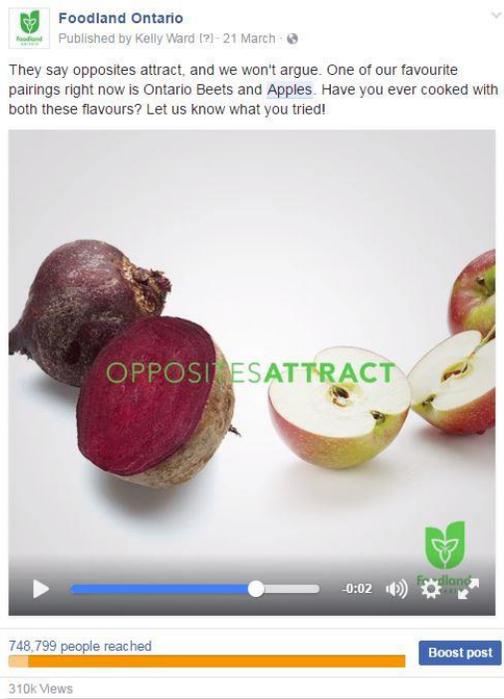
was up by 58 entries over the year prior.

TV Recipe Demos – 23 television recipe demos across Ontario showcased cooking with Ontario apples reaching an audience of 245,304 consumers resulting in an editorial value of \$350,512.

Print Articles - 72 print articles with a circulation of 2.3 million consumers with an editorial value of \$273,268.

Foodland Radio Ads – Radio 10-second ads ran for 8 weeks in February and March 2016.

Recipe Brochures – apples are featured in their spring and fall recipe booklets with 600,000 of each distributed through retail stores.



Foodland Ontario Social Media – Foodland supports OAG by adding fresh content and recipes as well as sharing and liking our own posts to their very large and growing social media audience. For example, Foodland Ontario’s posts relating to Ontario apples reached 3.5 million people (September 2015 to November 2016). Foodland is on Facebook, Twitter, Pinterest and Instagram.

2015/2016 OAG Activities

2015 Canada’s Baking and Sweets Show - Our presence at this show included a Breakfast Television appearance with Chef Emily Richards and featured our new baking recipes. Emily also performed on-stage baking demos from our “Baking with Ontario Apples” booklet. Samples, brochures and recipes cards were given out throughout the weekend. We sponsored the “At Home Baking Competition” with home chefs presenting their favourite Ontario Apples recipes. The winning recipes will be displayed on our website.

2015 Royal Agricultural Winter Fair – Ontario Apples were showcased on the first weekend at the OFVGA Booth and the popular Royal Apple Competition was back again with entries from Ontario, British Columbia and Quebec. Additionally, we partnered with Durham College again for some fabulous apple cooking demos on the Royal Food and Lifestyle Stage.

Social Media – Ontario Apple Growers have utilized social media for several years now. It is an effective and economical way to directly reach consumers. We have committed to providing relevant and useful content to our followers by supplying them with recipes, blog posts about different aspects of growing Ontario apples, news updates and our very popular grower profiles. Facebook reach for the OAG page is over 250,000 between September and May. Twitter has seen steady growth and activity as well with over 1,800 followers.

Ontario Produce Marketing Association (OPMA) – Produce Made Simple – Ontario apples were the featured item for one week (Oct 12th – 18th, 2015) on the Produce Made Simple website and in their social media campaign. This promotion included tips, recipes and general apple information.

GROWER INFORMATION & COMMUNICATIONS

The OAG uses several means to reach our membership. All newsletters are currently distributed by mail with 7 newsletters sent between December 2015 and November 2016. The OAG also distributes OMAFRA’s Orchard Network Newsletter four times a year. There is a Grower section on the web site where newsletters, industry statistics and information are always available. OAG members can log into this at any time with their grower number. Additionally, we use a ‘News’ email system built into our web site to share timely information with the membership.

Young & New Apple Farmers Group

A few years ago, we started an informal group for new and younger apple farmers as a way to connect and network with each other. The group continues to grow with about 35 members. Each year the group makes an effort to meet at least twice face to face. In 2016, the group met for a lunch meeting at the Ontario Fruit and Vegetable Convention in Niagara Falls and also held a tour in eastern Ontario visiting four farm sites.



INDUSTRY COMPETITIVENESS

Orchard Juice Apples

The OAG negotiated with the processors that the price for orchard (grounder) juice apples to processors be determined based on competitive market forces for 2016. Competitive market forces that exist this year included:

- The Ontario crop size is expected to be average at 7 million bushels with many areas experiencing drought conditions;
- The US crop is expected to be the fifth largest crop in history;
- The change in exchange rate from 2014 to 2016 results in a pound of apples being worth approximately 15 - 20% more in Canadian dollars.

The minimum grounder juice apple price for 2016 is \$.0575/lb. FOB farm gate. This is the same price as 2015 when Ontario experienced a 40% crop loss. On October 19th, the processor advised an increase in the minimum price to \$.06/lb. FOB farm gate.

Ontario Craft Cider

The Ontario Craft Cider Association (OCCA) continues to work with the provincial government to implement a program to reduce the taxes paid on craft cider made with 100% Ontario grown apples. OCCA is currently in the process of updating their Economic Impact Study that will offer the government the justification for such a program and create a road map for the future growth of the industry. The OAG has supported OCCA in this initiative which will provide parity for the craft cider industry which competes directly with the craft beer industry on the LCBO store shelves.

Consumers can now find OCCA ciders on the shelves at grocery stores across Ontario as well as at Farmer's Markets throughout the province. The Craft Cider Association added six new members in 2016 and production has increased. The OCCA Craft Cider Pack will be hitting LCBO shelves toward the end of summer. The craft pack features cider from Thornbury Village Cidery, Pommies Cider Co., Coffin Ridge Boutique Winery, Spirit Tree Estate Cidery, Sunnybrook Winery and Stonechurch Vineyards.

For more information, including a list of Ontario cideries, visit ontariocraftcider.com. You can also follow them on social media.

Research and Development

The OAG has secured more than \$426,000 in research grant funding while providing \$55,500 in grower seed funding. Each year, the Research Committee meets with research extension staff to review the research priorities. Below is a synopsis of the many research projects that the Ontario Apple Growers has either managed or provided support (financially or in-kind).

Tree Fruit Physiology and Orchard Management Research – Dr. John A. Cline and John Zandstra (University of Guelph)

A ten-year project was initiated in 2014 to determine the horticultural attributes of several new Vineland and Cornell-Geneva size controlling rootstocks with Honeycrisp and Aztec Fuji as the scion cultivars.

Ten trees each of Honeycrisp and Aztec Fuji on 17 different rootstock were planted in 2014 as part of the Canadian Horticultural Council's GF2 Science Cluster project at Simcoe and Cedar Springs Research Stations. Trees are trained to a spindle type training system and trickle irrigated. Trees will be monitored annually for trunk circumference growth, tree height and spread, yield, fruit size, rootstock suckering and longevity.

Honeycrisp is a weak growing cultivar that has suboptimal production on M.9 or other dwarfing rootstocks. Increasing tree vigor through the use of a semi-dwarfing rootstock in the size range of M.26 and M.7 may prove to be beneficial for overall productivity, tree performance, and longevity. This project is being funded for five years by the OAG (through the Canadian Horticulture Council), and is also part of a wider North American NC-140 Project.

Work is continuing on a project set up to examining the effectiveness of woodchip groundcover at moderating soil moisture levels with and without irrigation. The goal is to see if mulch can provide some relief of bitterpit in Honeycrisp orchards which are not irrigated.

Additionally, Cedar Springs is one of the OAG cultivar test sites with 7 cultivars from AAFC's Pacific Research Centre (PARC) breeding program first planted in 2012. These plantings include Nicola and Salish. Another 5 varieties were planted in spring 2015.

Update on Brown Marmorated Stink Bug in Ontario – Cynthia Scott-Dupree & Meredith Miller (University of Guelph), Hannah Fraser & Tracey Baute (OMAFRA), Tara Gariepy (AAFC)

The brown marmorated stink bug (BMSB) is an invasive pest native to East Asia. First detected in Ontario in 2010 OMAFRA has conducted surveys since 2011. A 3-year study (2015-2018) "Sustainable Management of Brown Marmorated Stink Bug in Ontario" was initiated in 2015 and focuses on:

- 1. Survey 2015 and 2016;**
- 2. Phenology** (seasonal biology) of BMSB in Ontario;
- 3. Management strategies** – trapping methods, and biological and chemical control;
- 4. Development of diagnostic methods** in orchard crops (apples and peaches) to improve our ability to identify stink bug damage in the field; and
- 5. Engaging Citizen Scientists through** participatory education programs.

Funding was obtained through the OMAFRA / University of Guelph Partnership - Emergency Management and Production Systems - Plants, with the financial support of the Grain Farmers of Ontario, Ontario Apple Growers, and Ontario Tender Fruit Marketing Board, Valent, Dow AgroSciences and Bayer CropScience.

NSERC Research Project for Apple Leafcurling Midge - Margaret Appleby, Dr. Riaz Shah, Lin Leung and Emily Truong (Durham College)

The apple leafcurling midge (ALCM) is a pest of concern for Ontario apple growers. With funding support from Ontario Apple Growers and Durham apple growers, Durham College undertook a NSERC 6-month project with the following objectives:

1. Use a developmental growth tabulation to create a degree day model based on observations from both growth chamber research and field data.
2. Initiate the ALCM parasitoid survey in Durham Region in collaboration with Dr. Peter Mason and OMAFRA and expand to consider pest management practices including insecticides used and ground cover management in cooperating orchards.

In three Durham region orchards with historical high numbers of ALCM populations, temperature, pheromone traps and terminal samples were monitored twice a week for the development of ALCM populations in the field. This information was compared to pest development on young trees in growth chamber studies. Collections of ALCM infested terminals in Durham region orchards were collected and sent to AAFC Ottawa for parasitoid survey.

In laboratory growth chambers, ALCM were placed with actively growing young potted apple trees and developmental stages were observed as affected by temperature and accumulated degree days. Various life stages of ALCM were placed in temperatures of 10, 15, 20, 25 and 30°C and their development to the next growth stage was monitored.

Lab and field data will be analyzed and a potential degree day model will be proposed. With developed laboratory rearing techniques for ALCM, there may be opportunity to fill in gaps in the degree day model. With the grower spray records and management, predictions can also be made regarding the best management strategies for this pest.

Fire Blight Management in Ontario Apples and Pears – Kristy Grigg-McGuffin, Wendy McFadden-Smith and Amanda Green, OMAFRA and Antonet Svircev, AAFC

The Ontario Apple Growers in partnership with the Ontario Tender Fruit Growers have undertaken a joint apple and pear fire blight research project with grant funding through *Growing Forward 2*. The project seeks to:

- Provide growers with tools to respond quickly and effectively to fire blight outbreaks.
- Gain information on the prevalence and distribution of fire blight resistance to streptomycin in pome fruit orchards across Ontario.
- Evaluate the impact of cultural management practices.
- Develop strategies for integrating biologicals, antibiotics and copper for management of fire blight.

In 2016, samples of fire blight infected shoots were collected across Ontario from commercial apple and pear orchards with a history of fire blight. This analysis will provide information on the incidence of fire

blight that is resistant to streptomycin in individual orchards as well as the distribution of resistance across the province.

Also in 2016, an experimental block of high-density Gala apples and Bosc pears on fire blight susceptible rootstock was established at Agriculture and Agri-Food Canada (AAFC) Vineland to investigate the integration of antibiotics, biologicals, plant health promoters and copper.

Efficacy of Calcium Chloride for Managing Bitter Rot in Apples - Michael Celetti, Kristy Grigg-McGuffin, Amanda Green and Christoph Kessel, OMAFRA

Bitter rot has become a serious disease of apple fruit in Ontario during growing seasons with persistent warm weather such as 2016. High value cultivars such as Empire, Golden Delicious, Honeycrisp, Ambrosia and Gala appear to be very susceptible to bitter rot infection. The application of calcium salts and particularly calcium chloride (CaCl₂) has also been shown to significantly reduce bitter rot incidence and severity in apples in trials conducted in West Virginia. However, some growers have suggested that calcium applications may exacerbate bitter rot infections. A trial was conducted during 2016 in a commercial apple orchard to investigate the efficacy of applying CaCl₂ every 10-12 days on the incidence and severity of bitter rot on apple fruit at harvest.

Funding for this project was provided by Horticulture Crops Ontario.

Fire Blight Risk Initiative - Michael Celetti, OMAFRA Plant Pathologist Horticulture Crop Program Lead and Susannah Ripley, OMAFRA Summers Student

Fire blight is a very devastating bacteria disease of apple and pears. The models available (Maryblyte and Cougar Blight) were intended to be site specific, many apple growers have indicated time constraint challenges in collecting and entering environmental data daily into the models to determine fire blight infection risk during bloom. The 7-day weather forecast data from 72 sites, representing most counties in southern and eastern Ontario where apples are grown, was put into the Cougar Blight model and updated 3 times per week during apple blossom time throughout May 2016. Risk were developed into animated maps based on the fire blight situation of the orchard that were posted on the OMAFRA website and the link was emailed to OAG members.

Canadian Tree Fruit Products Development – Erin Wallich, Summerland Varieties Corporation

The Grower Testing project is led by the British Columbia Fruit Growers' Association (BCFGA) in partnership with Ontario Apple Growers (OAG), Summerland Varieties Corp. (SVC) and the Québec-based consortium, Le réseau d'essai de cultivars et de porte-greffes de pommiers (RECUPOM). The partners work with the apple breeding staff at Agriculture and Agri-Food Canada's Summerland Research and Development Centre (Summerland RDC) in Summerland, BC to test promising new apple selections under a range of growing conditions.

Grower Testing is key to identifying and characterizing commercial apple releases that are economically beneficial to the Canadian tree fruit industry. Grower Testing evaluates the following:

- Adaptation of new selections to the growing condition in all the tree fruit producing regions of Canada.

- Growth habits of new selections and horticultural practices that ensure maximum yield and fruit quality.
- Best practices for commercial storage, pack and retail display.
- Consumer appeal of the selections relative to commercial varieties.

OAG has planted the selections in 11 orchards, with at least two sites within each of five growing regions. Trees have now been in production for at least three years, and testers have had ample opportunity to evaluate the resulting fruit. Next year will likely be the final evaluation year for those earliest tests.

Update on Varietal Testing at Vineland Research and Innovation Centre – Dr. Daryl Somers, Vineland Research and Innovation Centre

The Vineland apple breeding program budded its first trees in 2012 with the promise to build a competitive breeding program reaching 20,000 – 25,000 trees by 2017. These large numbers are required in plant breeding because the chance of finding high value, marketable apples is rare. Despite the exceptionally hot dry summer, the Vineland team reached a significant milestone in 2016 by exceeding 20,000 budded trees on the Victoria Avenue research farm.



The first trees that were budded in 2012, are now starting to produce fruit and the breeding team have collected fruit. These apples will be stored for about 1 month, then evaluated for basic taste profile.

Advanced Low Oxygen Storage for Ontario Apples – Dr. Jennifer DeEll, OMAFRA

This two-year study led by Dr. Jennifer DeEll (*Fresh Market Quality Program Lead* with OMAFRA) tested a new dynamic CA control system used to determine safe low oxygen levels for Ontario apple cultivars. The new low oxygen control system was installed at the OAG Horticultural Storage Lab in 2014 and included advanced controllers that allow for ultra-low oxygen concentrations to be utilized within the new SafePod™ storage technology system monitors fruit health (through respiration) so that the absolute lowest oxygen concentration can be determined in relation to fruit stress.

Historical data and results from testing new advanced storage control system technologies builds on the Ontario apple industry’s initiatives towards supplying superior quality fruit throughout the year. Expanding the season and shelf life of fresh Ontario apples, through improved quality and storability, assists in the delivery of year-round local fruit consumption.

Canadian Agri-Science Cluster for Horticulture 2

The following industry-driven issues, which were common throughout the collaborating provinces, are being investigated with funding from the Canadian Agri-Science Cluster for Horticulture 2 (within the Growing Forward 2 program) with total funding of \$1.5 million over 5 years (2013 to 2018). These projects are managed by The Canadian Horticultural Council on behalf of the Canadian apple sector.

- *Optimizing Storage Technologies to Improve Efficiency, Reduce Energy Consumption, and Extend the Availability of Canadian Apples – Dr. Jennifer DeEll, OMAFRA*
- *Improving tree fruit storage management using weather based predictions of fruit quality at harvest – Dr. Gaetan Bourgeois, AAFC*
- *Performance of Honeycrisp on New Size-Controlling Rootstocks – Dr. John Cline, University of Guelph*
- *New biological control agents for postharvest diseases of pome fruit – Dr. Louise Nelson, University of British Columbia*

Tree Fruit Cost of Production/Profitability Tracking & Reporting System

This multi-year project which aims to modernize the way Ontario's tree fruit industry (apples and tender fruit) tracks and reports cost of production data both at the industry level and the individual grower level.

At the industry level, the Ontario Tender Fruit Growers and the Ontario Apple Growers survey grower members for industry cost of production data. This data is compiled into a Cost of Production (COP) document that serves as a valuable benchmark for our stakeholders.

Growers will benefit from a user-friendly tool designed to help track their costs and gauge profitability by selected criteria. FruitTracker.com currently exists as a record keeping, orchard management software system. It draws on grower's GPS data and tracks production activities such as spray, fertilizer and harvest events to which cost tracking functionality would be linked. The design and development of tools for capturing labour costs accurately and efficiently would provide valuable information that growers could use to expedite work flow and enhance labour productivity.

This project is funded in part through *Growing Forward 2* (GF2), a federal-provincial-territorial initiative. The Agriculture Adaptation Council assists in the delivery of GF2 in Ontario.

Ontario Apple Crisis Management

The Ontario Apple Growers (OAG), updated the industry's crisis management plan in order to be prepared should a response on behalf of the industry be needed in times of crisis. The OAG Board and staff need to be ready to take the appropriate actions in the event of a food recall, or other crisis, in order to safeguard the image of Ontario apples, apple products and the industry that produces them from disparagement and attack in the media or other sources. The objectives of this project were to fully prepare leaders in the Ontario apple industry for a potential crisis by completing a training session and updating our crisis manual. While we hope to never have to use our crisis management training, we believe that this is a critical tool for today's business climate.

This project is funded in part through *Growing Forward 2* (GF2), a federal-provincial-territorial initiative. The Agriculture Adaptation Council assists in the delivery of GF2 in Ontario.

Economic Impact Study – John Groenewegen, JRG Consulting Group

The OAG has undertaken a comprehensive industry economic impact assessment which will provide the entire Ontario apple industry and its stakeholders with an analysis of the overall economic impact and contributions of the apple industry within Ontario and will become a valuable tool towards strategizing for the future needs of the industry. The main reasons for doing this project are to:

- build the capacity of Ontario apple industry producers and stakeholders;
- assist in the allocation of resources for future projects related to Ontario apples;
- provide information to Ontario apple stakeholders assessing the potential for investment strategies to retain or expand an existing business and/or attracting new business & economic activity;
- assist the industry in planning for change;
- provide all Ontarians (including current Ontario apple consumers) with increased knowledge on the economic impact and importance of apples grown, packed, processed and sold in their home province.

Final results will be released in 2017. This project is funded in part through *Growing Forward 2* (GF2), a federal-provincial-territorial initiative. The Agriculture Adaptation Council assists in the delivery of GF2 in Ontario.

Growing Forward 2 Organic Science Cluster Projects

The OAG is a partner on two projects within the Growing Forward 2 Organic Science Cluster. Both projects will run until March 31, 2018.

Development of organic control strategies for apple scab - Dr. Deena Errampalli, AAFC

The project has two main objectives:

(1) To test or evaluate full season organic spray programs consisting of Sulphur, liquid lime sulphur alone or in combination with the following:

- a. *Bacillus sp. Trichoderma* or other biocontrol agents (endophytes)
- b. Methyl jasmonate, chitosan (Elexa) or other plant resistance activators
- c. Evaluation of full season spray program field trials
- d. Management of leaf debris: with biological sprays and shredding of debris

(2) Project evaluation, using the data from the objectives above, generate economic analysis of organic spray programs and improve recommendations for the control of apple scab and postharvest diseases in organic apple orchards was initiated this year with data to be analyzed in 2017 and 2018.

Integrated organic practices in apple orchard management - Dr. Julia Reekie, AAFC

The overall objective of the project, 'integrated organic practices in apple orchard management', is to develop innovative ground cover systems for supplying nitrogen to organic apple orchards for the maintenance of tree health and to devise effective pest management practices to safe guard marketable organic apples so as to meet consumer demands. There are three project studies:

(1) *The impact of a modified ‘Swiss sandwich’ system on fruit production in an organic ‘Honeycrisp’ orchard in Nova Scotia (project lead: Julia Reekie, AAFC)*

(2) *The efficacy of Quassia Extract in the control of European apple sawfly (EAS) (project lead: Julia Reekie, AAFC)*

(3) *Rates, timing and trunk injection of promising scab-resistance inducing compounds (project lead: Pervaiz Abbasi, AAFC)*

Other Research and Services

AppleTracker.com – The web-based system ‘AppleTracker.com’ is maintained by the Ontario Apple Growers as an online system providing a comprehensive tool for growers to record their spray records, harvest data as well as shipping and storage information. This program also provides growers with the reports needed for CanadaGAP food safety program.

The OAG Storage Lab – The OAG Storage Lab is located at Norfolk Fruit Growers’ Association in Simcoe, Ontario and continues to pay benefits for the Canadian apple industry. When first established, the storage lab was supported by the Apple Working Group members of Canadian Horticultural Council with cost-shared funding from the CanAdvance Program. The Lab continues to be fully utilized again this year. The industry very much appreciates the cooperation of the Norfolk Fruit Growers’ Association and Dr. Jennifer DeEll, OMAFRA Post-Harvest Lead.

Acknowledgements

The Ontario Apple Growers acknowledges and thanks the support of our many funding partners. In the above research report we have acknowledged the partners for each of the projects.

Growing Forward 2 is a federal-provincial-territorial initiative. The Agricultural Adaptation Council assists in the delivery of GF2 in Ontario.



NATIONAL REPORTS

CANADAGAP REPORT

CanadaGAP® is a food safety program for companies that produce, pack, repack, store, wholesale and broker fresh fruits and vegetables. The program is designed to help implement effective food safety procedures within fresh produce operations. CanadaGAP has been benchmarked and officially recognized by the Global Food Safety Initiative (GFSI). Audit and certification services for the program are delivered by third party, accredited Certification Bodies. Apple farmers, packers and wholesalers across Canada have been active participants in the program since 2009. In Ontario, 118 apple growers and packers are CanadaGAP-certified.



Nearly 3,050 produce companies across Canada are now enrolled for CanadaGAP certification. Repacking, wholesaling and brokerage operations participating in CanadaGAP are also increasing, with six brokers

joining the program in 2016. Benchmarking of certification Option D for repacking and wholesaling by the Global Food Safety Initiative (GFSI) was successfully completed in March. CanadaGAP is progressing with the final stage of Government Recognition, known as “implementation assessment”, which requires CanadaGAP to demonstrate to government the effective delivery of program audits and the effective administration of the system by the national office. The goal is to achieve government recognition to coincide with the arrival of new food safety regulations for fresh produce in Canada.

Several initiatives are in the works for 2017, including the introduction of an unannounced audit program to meet new GFSI requirements; implementation of changes to CanadaGAP requirements, including an increase to the audit passing score from 80% to 85%; and enhancements to the assessment of auditor competency consistent with the GFSI Auditor Competency project. Maintaining GFSI recognition through re-benchmarking to the new version (Version 7) of GFSI requirements will be a key objective for CanadaGAP in the year ahead.

CANADIAN HORTICULTURAL COUNCIL (CHC)

2016 has been a year of change for CHC. In May, long-time Canadian Horticultural Council EVP, Anne Fowlie, advised the Board of Directors that she would be leaving the CHC at the end of June after nearly 18 years. In August, CHC announced the appointment of new Executive Director, Rebecca Lee. Rebecca has significant experience in the industry, most recently as the Technical Director with the North American Plant Protection Organization (NAPPO).



Staffing changes also occurred in the Manager, Policy Research and Development and Manager, Communications positions, with the departures of Andre Bourbonniere in April and Trevor Eggleton in August, respectively. In October, CHC announced the hiring of Nancy Baker in the position of Manager, Policy Research and Development and David Folkerson as Manager, Communications.

A sampling of 2016 Activities and Initiatives at CHC include:

- Launching a new version of www.hortcouncil.ca in April.
- During the months of May, June and July, CHC’s Crop Protection Advisory Committee responded to 6 consultations on Pest Management Regulatory Agency Proposed Re-evaluation Decisions that impact crop protection in the fruit and vegetable sectors in Canada.
- In June, CHC published two fact sheets on the Temporary Foreign Workers Program and the Seasonal Agricultural Workers Program (both available on the CHC website: www.hortcouncil.ca/our-work/labour/).
- In August, CHC hosted invited representatives of the Pest Management Regulatory Agency and AAFC’s Pest Management Centre, on a farm tour in the Montreal area to provide first-hand examples of safe pesticide application.
- In November, co-hosting with the Canadian Produce Marketing Association the Fall Harvest: Meetings on the Hill. Key messages on the following topics were delivered to Members of Parliament: Health Policy, Labour, Payment Protection for Canada’s Fresh Fruit and Vegetable Industry, and Research and Innovation.

CHC Apple Working Group Update

The CHC Mid-Summer Apple Meeting was held in July in Moncton, NB. The event was hosted by the Apple Growers of New Brunswick. The industry meeting and orchard tour were well attended by apple growers and industry representatives from across the country.

The working session included discussions on market situations and trends, research and innovation strategies and priorities, National Apple Planting and Replant Program Opportunity, Ministerial Exemptions, and HS Codes for Honeycrisp. The July 27 orchard tour included stops at: Master Packaging, Verger Belliveau Orchard, La Fleur du Pommier.

CHC also manages the Canadian Agri-Science Cluster for Horticulture for the apple sector. As Cluster 2 is now in its fourth year, CHC has begun planning for Cluster 3, which is anticipated to be part of Agriculture and Agri-Food Canada's next suite of programs and aim to begin in April 2018. Over the next year, CHC will be working with commodity groups to update research strategy documents, review national research priorities, identify projects for funding through the Cluster, garner industry support, etc. Further consultations with CHC members will follow as well.

For more information on CHC activities or to obtain a copy of the Annual Report, please visit their website: www.hortcouncil.ca.



DIRECTORS & STAFF 2015/2016

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VICE CHAIR Cathy McKay, Port Perry (District 5)

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Brian Rideout, Blenheim (District 1)
Brett Schuyler, Simcoe (District 2)
Joe Van de Gevel, Port Stanley (District 2)
Brian Gilroy, Meaford (District 3)
Kyle Oakley, Thornbury (District 3)
Art Moyer, Grimsby (District 4)
Richard Feenstra, Beamsville (District 4)

DISTRICT GROWER COMMITTEE MEMBERS

Steve Versteegh, Ilderton (District 1)
Bob Hepburn, St. Thomas (District 2)
Shane Ardiel, Clarksburg (District 3)
Spencer Johnson, Fenwick (District 4)
Robert Vanderwindt, Port Hope (District 5)

GENERAL MANAGER Kelly Ciceran
PRODUCT MANAGER* Larissa Osborne
TREASURER* Maureen Connell
OFFICE MANAGER* Sylvana Lagrotteria
ADMINISTRATIVE/MARKETING COORDINATOR* Kelle Neufeld

*Shared Staff

ASSOCIATION DELEGATES

CHC Apple Working Group - Brian Gilroy, Kelly Ciceran (Brett Schuyler – Alternate)
Ontario Fruit & Vegetable Growers' Association - Charles Stevens
Ontario Federation of Agriculture - Joe Van de Gevel
FARMS - Steve Versteegh (Shane Ardiel – Alternate)
Horticultural Crops Ontario - Kelly Ciceran
Ontario Agricultural Commodity Council - Kyle Oakley (Brian Gilroy – Alternate)
Presidents' Council - Charles Stevens