



Canadian
Horticultural
Council

Conseil
canadien de
l'horticulture

The voice of **Canadian fruit and vegetable growers**

Annual Report 2016

Rapport annuel



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Report of the President

To the members of the Canadian Horticultural Council

Building a thriving organization

Randy Grieser, author of “The Ordinary Leader”, lists the following key insights for building and leading a thriving organization.

1. Motivation and employee engagement
2. Passion
3. Vision
4. Self awareness
5. Talent and team selection
6. Organizational health
7. Productivity
8. Creativity and innovation
9. Delegation
10. Self improvement.

Organizations need all the above if they expect to be successful. The greater the number of these traits that each team member has, the greater the value and success of the team and organization. However, all of us play a role in ensuring that these traits remain priorities in CHC. If we, as members, directors, committee chairs or working group members, demonstrate the passion we have for the industry and organization, the passion will be picked up by those working with the issues.

Every organization needs to have a vision; we must look forward towards that vision and always keep it in focus. If we take our eyes off the vision, it will take time to regain it. Those of us who are old school and drove equipment before GPS know that when you are trying to make that first pass with the planter you must be aligned with your near and distant target. If you take your eyes off the targets, you will lose the alignment and it is unlikely that you will be pleased with the outcome of the opening pass.

Each of us must be aware of our skill set. We are not productive if we are working outside of our skill set. Careful team selection will result in having the skills needed to succeed. We want

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Keith Kuhl, CHC President

to look at success of the team as each player has a role in the success. Strong team work will allow increased productivity. However, in order to be productive each team member must know where the other members are, and what their skills and abilities are. Without strong communication between team members we will fail.

The team also needs leadership to delegate, coordinate and direct the players. The leadership comes in various forms (Board, Committee Chairs and Executive Director). However, the communication to the players must be united and with one voice.

Teams are motivated by those who cheer for the team. One word of encouragement always provides more motivation than a minute of criticism.

At times, we look at CHC and see the staff, the Board or Committee members as the team. Everyone of us is a member of the team. Each of us plays a role in the success of the organization. While our individual priorities may differ, we must ensure that the organization's priorities are aligned. The AGM is a time for us to determine what the priorities should be for the next year. We must ensure that the organization has the tools and skills to accomplish the priorities.

Strategic Plan

At the 2016 AGM, the members indicated that CHC needed to come back to the 2017 AGM with a strategic plan. In preparation for the strategic planning meeting, we reached out to members to gain insight. In January, the Board, Committee chairs and staff met to develop a strategic plan. However, the strategic plan is not complete until it is endorsed by the members.

Rebuilding the CHC team

Having strong staff is crucial to providing value to our members. The past year has been a rebuilding year for CHC. The Board committed significant time in rebuilding the leadership of CHC. At the July Board meeting, the Board of Directors affirmed the recommendation from the selection committee to offer the position of Executive Director to Dr. Rebecca Lee. When Rebecca started in August, one of her first tasks was to select people to fill the vacant positions of Communications and Policy. I believe we have added high value players to the team. I believe the team is ready to accept the challenges of our producers and member organizations.

During the initial months, I worked very closely with Rebecca to transition the files. In thinking back, I realize how many files we have. I am pleased with the approach that Rebecca has taken in delegating files to various staff and trusting them to move forward, communicate with other staff and members, and keep her informed on progress and challenges.

Final Words

The past four years have gone by quickly. The past year in particular has been an extremely busy one. I want to thank the Board of Directors, the selection committee, the Standing Committee Chairs and members for their contribution and support.

The past year has also required a greater time commitment from myself and others. I wish to thank the CHC staff for their diligence and hard work as we underwent significant staff changes. I also want to express special thanks to the Canadian Potato Council for their understanding in using David Jones to lead the PMRA product re-evaluation files. CHC would not have been able to do justice to these files without this assistance. The PMRA file will continue to be one which demands special talent in future years.

I am thankful and fortunate to have a strong team in Southern Potato. Thank you to my management team and staff for your dedication. Without this, it would have been impossible for me to commit the time to CHC.

Most importantly, I want to thank my wife Karen who has spent many evenings at home without me and who has put up with me when I came home tired and stressed.

A handwritten signature in black ink, appearing to read "Keith Kuhl". The signature is fluid and cursive, with the first and last names being the most prominent.

Keith Kuhl
President

Report of the Executive Director

To the President and members of the Canadian Horticultural Council

In the short time so far as Executive Director of your organization, there have been very many interesting challenges, in terms of learning about the wide range of files covered by CHC, while at the same time ensuring that work goes on to meet your needs and expectations. Some highlights are:

On the inside...

- building our new team and strengthening our work methods, supporting a cultural change in the workplace built on improved internal communications and teamwork;
- revising internal procedures, implementing performance reviews, redistributing workload with regular check-ups on how things are going, and identifying staff needs and interests;
- distinguishing between core member services and those that are of added value; and
- overcoming the challenges of understanding and meeting commitments of the previous administration, which have led to having to make some hard decisions, with the valued support of the Board of Directors.

On the outside...

- strengthening our relationship with our members through improved, practical communications, participation at grower meetings to meet one-on-one with members and learn about their concerns;
- leaning on CHC's committees to make sure that sector expertise is leveraged optimally and in a timely manner;
- preparing for the next round of cluster research by helping commodity groups to prioritise their research needs;
- bringing together networks to expand CHC's advocacy capacity, securing meetings with ministers and their officials in key areas: agriculture (Next Agriculture Policy Framework), environment (effect of carbon pricing policy on horticulture), labour (improvements to Temporary Foreign Worker Programs);
- collaborating with colleagues in other agriculture sectors for synergistic effects; and
- sustaining the demand for financial protection for fruit and vegetable producers.



Rebecca Lee, CHC Executive Director, listens to a co-delegate at the CFIA National Plant and Animal Health Strategy Planning Forum, December, 2016.

The number of crop protection products undergoing re-evaluations continues to be high. While the Pest Management Regulatory Agency has initiated a new procedure that considers industry consultation prior to emitting a proposed decision, there will be an overlap of approximately two years with the previous procedure. The overall effect will be an increase in products for industry to consider and for CHC to dedicate resources.

The years 2016 and 2017 have also coincided with a high number of requests from Agriculture and Agri-Food Canada and the Canadian Food Inspection Agency for industry comments. Over the fall, numerous meetings were held in which our views were sought for new programs: the Next Agriculture Policy Framework, the National Plant Science Network, and the Plant and Animal Health Strategy. Winter and spring months are occupied with providing answers on the Food Labelling Modernization consultation, Phase 1 consultation: Cost recovery initiative, and the Safe Food for Canadians Act draft regulations. While it is important that industry's perspective be taken into account, the concentration in the number of regulations and programs as well as deadlines for comments has meant that CHC resources are spread even thinner, and our members are inundated with requests for their attention. Additionally, it is concerning that the number of regulations and costs to manage them are increasing, putting an even heavier burden on growers. We cannot let our guard down if we wish to make sure our sector is competitive globally in the medium and long term.

The Strategic Plan put together earlier this year by the members of the Board of Directors, Committee Chairs and staff proposes a way forward for the next three years. Through the resolutions brought forward and the core result areas agreed upon, the membership will have to carefully consider what activities they see as priorities within that Plan. There will be challenging decisions to make, in terms of where to allocate resources, so that new opportunities can be addressed without adversely affecting the effective management of ongoing core issues. CHC is a small but ambitious organization. It is supported by dedicated and knowledgeable staff, committee and Board members and it has envisioned a Strategic Plan that can guide the organization into much success by 2020. We are poised for greatness, and we will do as much as possible with what we have available. With more to come in the next few years, CHC should consider dedicating additional resources to priority areas as they emerge.

An organization's successes are the result of the efforts of many players, and this is evident at CHC. The members of the Board of Directors are essential to providing direction between

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annual meetings, as well as regional support for CHC actions. The Committee Chairs and members of the various working groups provide the necessary guidance and expertise on an ongoing basis. Communications with the broader membership confirm current issues and keep a pulse on those emerging. Our colleagues in the agricultural sector and government help us to provide much needed solutions to the challenges growers face in producing safe food of the highest quality.

Over the past year, the staff have taken on the demands of a transition with positive energy, high commitment and excellent initiatives. My heartfelt thanks to Amy Argentino, Nancy Baker, Dave Folkerson, David Jones, Julie Paillat, Justine Payne, Patti Proulx, Sharon Savoie and Linda Vinokuroff.

I look forward to working with all of you in the coming year.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Rebecca', with a long horizontal flourish extending to the right.

Rebecca A. Lee
Executive Director



Advocacy Initiatives

CHC staff have been working closely with the Board of Directors, Committee Chairs and the membership following policy developments, monitoring government and parliamentary activities. This has led to various opportunities to make interventions, request meetings, appear before parliamentary committees as well as engage with other industry groups and allied stakeholders to keep informed and raise the profile of CHC.

During Fall Harvest with CHC members and staff, meetings were held with the Minister of Agriculture and the Minister of the Treasury Board. There were a total of 54 meetings (total of 58 elected officials - MPs, Parliamentary Secretaries and Ministers).

Keith Kuhl appeared before the Parliamentary Agriculture Committee regarding the Next Agriculture Policy Framework in November. In December, CHC submitted our formal report to the Federal Agriculture Minister outlining what we hope to see included in the Next Agriculture Policy Framework, beginning in 2018

CHC's work with Canadian Agricultural Human Resource Council (CAHRC) has been very effective to build consensus on agriculture issues and in particular on the labour issue. During the House of Commons committee study of foreign worker programs, CAHRC appeared before the Committee when a number of agriculture sectors were unfortunately not included in the hearings. CAHRC effectively addressed labour issues that impact the horticulture sector.

We received some good news in December, with the elimination of the four year cumulative rule. We are awaiting potential further announcements in Budget 2017 that could impact foreign worker programs.

CHC with CAHRC held a "Virtual Farm Tour" briefing session for officials from Immigration, Refugees and Citizenship, Agriculture and EWDL in 2016.

CHC and the Greenhouse Working Group met with advisors for the Minister of the Environment and Climate Change to discuss the impacts of carbon pricing policy on horticulture, particularly the greenhouse sector, as well as a meeting in the office of the new Minister of Employment, Social Development and Labour to discuss ongoing issues with foreign worker programs.

We continue to work with the Dispute Resolution Corporation, Canadian Produce Marketing

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Association and the federal government to ensure that Canada has a financial payment protection mechanism for produce sellers. This was reviewed in Parliamentary Committee this past year, with a recommendation for a system to be in place in Canada.

Reaching out to related stakeholder groups provides a means to exchange information and experience as well as to broaden opportunities for linkages and collaborations.

CHC attended the American Seed Trade Association (ASTA) – Vegetable and Flower Seed Conference and presented an overview of Canadian vegetable production and decisions that PMRA has proposed that could impact grower access to crop protection products. As virtually all vegetable crops in Canada are grown from imported seed, ASTA members have a strong interest in PMRA re-evaluations related to seed treatment uses such as thiram, captan and the neonicotinoids. Continued cooperation with ASTA on re-evaluation responses is important to providing PMRA with perspective on seed treatment use in vegetable production.

The Canadian Council on Invasive Species invited CHC to present at the 3d National Invasive Species Forum. CHC provided an overview of invasive pests that affect the sector, emphasizing areas in which the sector is collaborating with government to establish national regulatory conditions to reduce the risk of introduction and spread of such pests. The discussions on the Plant and Animal Health Strategy and the National Plant Health Network were included in the examples.



Labour

The Canadian Horticultural Council (CHC) and its members recognize the value to the Canadian economy of the horticultural sector's continuing contribution to the growth of the sector and employment. The Canadian government also recognizes this, as well as the chronic shortages of seasonal labour for primary agriculture, particularly in horticulture, where labour has always represented the highest input cost.

The industry understands the need for the government to monitor foreign labour and the CHC fully endorses the "Canada First" concept for labour. Employers conduct extensive efforts to recruit Canadian workers first, but the reality is, growers must have access to a reliable supply of labour to meet their planting, growing and harvesting needs. Without seasonal, time-sensitive labour, perishable produce is left to rot in fields or trees. This has a further impact for full-time employment in packing, storage, marketing and distribution throughout the year.

The Temporary Foreign Worker Program (TFWP), Agricultural Stream, has allowed exemptions for agriculture from its broader industry guidelines that make the program less expensive for farmers to participate. In 2016, the Seasonal Agricultural Worker Program (SAWP) stream of the TFWP celebrated 50 years of success providing tremendous value to Canadian business and workers. The reason these program streams work well is because of the industry-government relationships that have been developed and the business-like approach taken by industry in addressing the issues.

Over the last year, the federal government engaged in a review of foreign worker programs, with a study by the Standing Committee on Human Resources, Skills and Social development and the Status of Persons with Disabilities (HUMA), which resulted in the release of a report in September making recommendations across a wide range of sectors that utilize foreign workers. There were some positive recommendations for our industry. In December, the federal government announced early action, most notably eliminating the four year cumulative rule, which was well received by our members. We are expecting details in Budget 2017 that could impact foreign worker programs further.

The Board of Directors, the Chair of the Labour Committee, members and CHC staff have been active over the last year raising the issue before the Minister of Agriculture and Agri-Food, the Minister of Employment, Workplace Development and Labour, the Minister of Immigration and Refugees, Parliamentary Secretaries and Members of Parliament on the value and improvements needed to foreign worker programs.



Crop, Plant Protection and the Environment

Last August, CHC hosted a crop protection information tour of Quebec horticultural production facilities for staff of Health Canada's Pest Management Regulatory Agency (PMRA) and Agriculture and Agri-Food Canada's Pest Management Centre (PMC). The objective of the tour was to provide government staff involved in the evaluation and regulation of crop protection products and the coordination of minor use pesticides, the opportunity to increase their understanding of how growers manage horticultural crops and pests in greenhouse, orchard and field systems.

The crop protection information tour enabled CHC members and staff to interact with 37 key government officials that have direct involvement in the regulation of crop protection products and the associated decisions that impact horticultural producers in Canada. At the same time, the tour provided the opportunity for officials to gain a deeper understanding of the production challenges facing growers and their use of technology and the integrated approaches used to manage pests in a sustainable system.

CHC continues to develop knowledge and work with PMRA to offer information and guidance for on-farm use of pesticides, the care and control of farm workers, training and record keeping of on-farm activities, including pesticide use, and to find workable solutions for worker protection so that pesticides can be used safely on our farms.

In the last year, PMRA initiated a new procedure for re-evaluations that considers grower input and consultation at the start of a re-evaluation. At the same time, CHC staff are still involved in a number of re-evaluations responding to consultation requests related to ongoing re-evaluations at the end of the review process but prior to the publication of a proposed decision.

CHC staff and its Crop Protection Advisory Committee (CPAC) have been actively engaged in responding to several proposed re-evaluation decisions issued from PMRA over the last number of months. There have been a series of re-evaluations that could have a significant and detrimental impact on current use patterns, threatening the viability of some crops. One of the current re-evaluations is the proposed decision on imidacloprid and special reviews of clothianidin and thiamethoxam issued last November. CHC has conducted grower surveys in five commodity sectors and has received over 500 responses from individual growers. For imidacloprid, there are approximately 43 horticultural crop groups impacted by the proposed decision to discontinue all uses.

In a joint effort with other stakeholders, CHC made a formal request to PMRA for an extension

in the consultation period to allow for more time to gather new information that can be used in refining or reconsidering risks assessments, specifically regarding grower use of the active ingredient under current production practice. We were granted a 30-day extension with a revised deadline of March 23, 2017. This extension provides more time to summarize new grower use information obtained from the surveys and identify possible risk mitigation measures.

CHC continues to follow government environmental policies that impact fruit and vegetable growers. Federal carbon pricing policy currently being implemented in provincial jurisdictions is adding to the costs of production and transportation here at home, as well as creating an additional barrier trading abroad.

Following up on resolution 2016-14, that CHC request that the Canadian Food Inspection Agency develop and implement a program similar to the National Clean Plant Network in the United States, we are able to report that CFIA has been moving forward on this initiative. Draft conceptualization of the National Plant Health Network (NPSN) included consulting with CHC among other stakeholders and a workshop organized by CFIA in November, 2016. The proposed NPSN would comprise three key pillars: Clean Plants, Surveillance, and Diagnostics. The vision for the Clean Plant pillar is, “An integrated evidence-based approach aimed at maintaining and distributing propagative plant material that is free of targeted plant pathogens and pests to support Canada’s food supply, trade, environment and economy”.

Under coordination by the Canadian Food Inspection Agency, a draft of the Plant and Animal Health Strategy (PAHS) for Canada is close to being finalized. The vision of this strategy is that Canada’s plant and animal resources are safeguarded, contributing to economic growth and the protection of human health and the environment. CHC has participated at various levels to ensure that the needs and concerns of the fruit and vegetable sectors are included. Staff and members attended discussions over the fall to collaborate on an initial discussion document, as well as at a Plant and Animal Health Planning Forum, December 6-7. Since then, the CHC President has attended weekly steering committee conference calls to oversee the work of four working groups. These groups have met weekly to discuss: 1) A system founded on prevention, in which CHC has participated, 2) Collection and sharing of information, 3) Coordination through partnerships, and 4) Influencing behaviour. Public consultation is expected for the month of April, and approval sought at the Federal-Provincial-Territory ministers meeting in July.

Looking ahead, the Third Global Minor Use Summit (GMUS-3) will be taking place in Montreal from October 1 – 4, 2017. You can find more information on the Summit at <http://gmup.org/GMUS3.html>.

Responses to PMRA Proposed Re-evaluation Decisions Impacting Horticulture (January 2017)

Active Ingredient	linuron Group 7	mancozeb Group-M	metiram Group-M	carbaryl Group-1A	ferbam Group-M
Trade Name	LOROX Herbicide	DITHANE Fungicide	POLYRAM Fungicide	SEVIN Insecticide	FERBAM Fungicide
Consultation Status	Sept 24, 2012 Response submitted pending final decision Dec 2016*	Sept 27, 2013 Response submitted pending final decision Mar 2017	Sept 18, 2014 Response submitted pending final decision Mar 2017	Final decision issued Mar 31, 2016	May 27, 2016 Response submitted pending final decision Jun 2018
Proposed Decision (*final decision)	Cancel all uses	Cancel all uses	Cancel all uses	Some uses cancelled*	Cancel all uses
Horticultural Food Uses Proposed to be Cancelled (*final decision)	Asparagus Carrots Caraway Celery Coriander Dill Parsnip Potato Apple Peach Pear Plum Cherry Saskatoon Sweet Corn	Potato (foliar and seed) Tomato Onion Celery Carrot Cabbage Cauliflower Pumpkin Squash Melon Watermelon Cucumber Apple Pear Grape	Potato Tomato Asparagus Carrot Celery Apple Grape	*Broccoli *Brussel Sprouts *Cabbage Cauliflower *Pepper *Snap bean** *Sweet Corn *Apple (insect) *Pear *Apricots *Peaches *Cherry *Plum *Grapes **hand-harvest	GH Cucumber, GH Tomato, GH Lettuce, Apple, Pear, Apricot, Cherry, Peach, Plum, Blackberry, Boysenberry, Dewberry, Raspberry, Blueberry, Cranberry, Currant, Grape

ziram Group-M	thiram Group-M	chlorothalonil Group-M	iprodione Group -2	captan Group-M	cypermethrin Group-3	imidacloprid Group-4
ZIRAM Fungicide	THIRAM Fungicide	BRAVO Fungicide	ROVRAL Fungicide	CAPTAN Fungicide	RIPCORN Insecticide	ADMIRE Insecticide
May 27, 2016 Response submitted pending final decision Jun 2018	May 27, 2016 Response submitted pending final decision Jun 2018	June 10, 2016 Response submitted pending final decision Mar 2018	July 15, 2016 Response submitted pending final decision Mar 2018	July 30, 2016 Response submitted pending final decision Mar 2018	Aug 30, 2016 Response submitted final decision Sep 2018	Nov 23, 2016 Response due Feb 21, 2016 Final decision Dec 2017
Cancel all uses	Cancel all uses	Cancel certain uses and limitations on remaining uses	Cancel all uses	Cancel certain uses and limitations on remaining uses	Decrease no. of applications for some uses and large buffer zones	Cancel all agricultural uses
Tomato Cucumber, Melon Squash Pumpkin, Apple (BC only) Peach (BC only) Apricot (BC only)	Celery Sweet Potato Apple Peach Plum Strawberry Seed Treatment - (beets, broccoli, Brussels sprouts, cabbage, carrot, cauliflower, celery, lettuce, pepper, radish, spinach, turnip, eggplant, tomato, onion, snap bean, peas, squash, pumpkin, watermelon, cucumber, cantaloupe, onion)	Broccoli Brussels Sprouts Cabbage Cauliflower Corn (sweet) Celery Onion (dry and green) Cherry (sweet and sour) Peach Nectarine Blueberry (high and low) Cranberry	Cabbage (stored) Cauliflower, Garlic (preplant dip) Lettuce Onion Snap Bean Leek Potato (seed piece trt) GH Cucumber GH Lettuce GH Tomato Apricot Cherry Peach Plum Raspberry Strawberry Grape Ginseng Seed Treatment (carrot)	GH uses (except soil) Apple Pear Cherry Plum Peach Nectarine Apricot Grape Pumpkin Squash Tomato Strawberry Loganberry Blueberry Blackberry Raspberry On-Farm Bean Seed Treatment		Potatoes Root Veg (1-B) Tuberous and Corn Veg (1-D) Sweet Potato Leaves of Root and Tuber Veg (2) Leafy Greens (4-A) Leafy Petioles (4-B) Brassica Leafy Veg (5) Legume Veg (6) Fruiting Veg (except cucurbits 8) Cucurbit Veg (9) Pome Fruit (11) Stone Fruit (12) Berry –Small Fruit (13-A,B,F,G) Cranberry Herbs (19-A) Globe Artichoke Seed Treatments In-Furrow GH (drench and irrigation) Tomato, Cucumber, Pepper, Eggplant, Lettuce, Brassica 5A



Industry Standards and Food Safety

Over the last few months of 2016-2017, a number of proposals for modernization of processes and regulations have been submitted by CFIA for industry and public comment. CHC has been participating in industry meetings, has been monitoring the discussions among different sectors, and will provide sector comments for the consultation processes. Members have also been encouraged to attend information sessions and provide their feedback through the corresponding websites.

Food Labelling Modernization initiative

The objective of the Food Labelling Modernization initiative is to develop a more modern food labelling system that responds to current and future challenges. Consultations on the third of three phases concluded on March 14, 2017. The three phases consisted of:

- phase I - engagement (2013-2014) in which CFIA requested stakeholders to provide information on issues they had in the four key areas of food labelling: Roles, Responsibilities and Partnerships, Regulations, Policy and Program Development, and Service Delivery.
- phase II of consultation (2014-2015), CFIA requested feedback on the ideas and options to modernize the system.
- phase III of consultation (2016-2017), CFIA requested feedback on key proposals, which include modernizing regulations and establishing a risk based approach to ensuring truthful and not misleading food labelling.

The regulatory proposals are guided by principles that focus on outcome based rules, empowered consumers, responsive industry, risk-based intervention, and improved compliance.

Cost Recovery initiative - Phase one consultation

Phase one consultations on the Cost Recovery initiative end on March 31, 2017. CFIA is seeking input from Canadian businesses and consumers on:

- a proposed streamlined list of services that allows fees to be charged consistently for similar CFIA services
- proposed service standards
- the appropriate level of cost sharing between regulated parties and taxpayers
- impacts of potential fee increases on businesses

Informational meetings have been offered by CFIA to provide further detail on the proposal. Of note: the last time CFIA has had an increase in their fees was 20 years ago; the approximate cost of delivery of CFIA activities is \$824 million per year; of the \$824 million, about \$533 million supports activities that benefit regulated parties. Of the \$533 million, CFIA currently recovers about \$55 million or about 10%.

CFIA is proposing to streamline the list of services, without changing how the services are currently being delivered. Costs would be calculated based on hourly fees.

For more information, please consult the Phase one consultation of the Cost Recovery initiative: <https://goo.gl/GKzqcqs>

Proposed Safe Foods for Canadians Regulations (SFCR)

The regulations place a greater emphasis on preventing food safety risks for all foods imported into Canada or sold across provinces. The regulations would also apply to foods prepared for export. It essentially would bring into force the Safe Food for Canadians Act of 2012. CHC staff have notified members of the consultation and provided them with dates for CFIA presentations scheduled across Canada. A brief presentation to members has been arranged during this AGM. A 'deep dive' session with CFIA has been scheduled for the horticulture sector (CHC, CanadaGAP and CPMA) at the end of March. The deadline for comments is April 21, 2017.

Videos, interactive tools, fact sheets, templates, and a handbook are available at: <https://goo.gl/eQGofZ>

CanadaGAP

The CanadaGAP® food safety program is designed for producers, packers, repackers, wholesalers and brokers to implement effective procedures within their fresh fruit and vegetable 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.

Highlights for 2016: Nearly 3,050 produce companies across Canada are currently enrolled for CanadaGAP certification. Repacking, wholesaling and brokerage operations participating in CanadaGAP continue to increase, with six brokers joining the program in 2016. Benchmarking of certification Option D for repacking and wholesaling by the GFSI was successfully completed in March 2016. CanadaGAP is completing 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. Government recognition will effectively position the program in the context of new food safety regulations for fresh produce in Canada.

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Several initiatives have been announced for 2017, including the introduction of an unannounced audit program; implementation of changes to CanadaGAP requirements, including an increase to the audit passing score 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 Industry Standards for Organics

The Organic Federation of Canada (OFC) and its members are the official forum for stakeholders in the organic sector to input into the Canadian General Standards Board (CGSB) various committees, including the Technical Committee on Organic Agriculture (TC). It is the TC that ensures proposed changes to the Organic Standards (32.310) and Permitted Substances List (PSL) (32.311) is analyzed and voted on.

The CHC's representative to the TC, Wayne Rempel, has been supported with participation from Marv Dyck on the TC and its sub-committee, Crops Working Group. Additional TC voting membership by Ontario Greenhouse Vegetable Growers (OGVG), Niki Bennet, and non-voting membership by CHC's National Coordinator, Greenhouse Vegetable Sector, Julie Paillat was prompted by issues raised by the CGSB working group and other stakeholders in regards to greenhouse crops proposed amendments.

The standards (32.310 and 32.311) have undergone an amendment process that was open for a 30-day comment period ending September 25, 2016. All proposed amendments were sent to ballot as proposed, except for the greenhouse crop amendments; clauses pertaining to soil volume requirements required further modification. The insertion of grandfather clauses for existing greenhouse operations to continue at lower soil volumes than any new or expanding acreages went ahead to ballot with a closing date of November 25th. The vote received 37 comments for 32.310, 4 of them associated to 3 negative votes, and 37 comments for 32.311. In accordance with CGSB Policy and Procedures, the comments are currently being reviewed by the Chair, Committee Secretary and Working Group convenors and responses are being developed. Within the next few weeks, CGSB will distribute the summary of comments with responses along with the updated balloted draft standards to the Committee membership for a two-week review period.

An additional amendment process related to amino acid use in the pork industry has further delayed final publishing. In the meantime, the 2015 Canadian Organic Standards entered into force on November 25, 2016, one year after publication. Therefore, CFIA has provided guidance to Certifying Bodies to provide operators affected by clauses under amendment a note of 'opportunities for improvement' pending the approval of the clauses by ballot and their enforcement in 2017.



Trade and Marketing

Canada entered into the Trans Pacific Partnership (TPP) agreement in 2015, joining with 11 other Pacific Rim countries (Australia, Brunei Darussalam, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam and the United States). For Canada, the 11 countries represent a market of nearly 765 million people. With the new administration in the U.S. announcing they will no longer participate in the TPP, the future of the agreement is unclear. The Government of Canada is continuing to pursue bilateral and regional trade agreements with markets in these regions.

The Canada – European Union (EU) Comprehensive and Trade Agreement (CETA), launched in 2009, includes 28 EU member states. It represents one of the largest consumer markets in the world, with a combined population of over 500 million people. Once in force, 94% of EU agricultural tariffs will become duty free. The CETA continues to move forward. The legislation in Canada is making its way through Parliament, and in February, the European Parliament voted and approved the agreement. Once the legislation is passed in Canada's Parliament, the agreement will be provisionally approved (the majority of CETA's provisions will be provisionally applied). This is expected to take place in the spring of 2017.

We welcome opportunities to reach new markets with agreements that contain enhanced provisions to address non-tariff barrier issues. However, until issues such as the harmonization of MRLs are more fully addressed, our producers are limited to a certain degree from fully exploiting the opportunities of tariff reduction or elimination.

Under the new U.S. administration, the President has indicated a desire to re-visit the NAFTA agreement. It remains unclear at this time what that will mean for Canadian agriculture. Although there has been speculation that supply managed sectors may be reviewed, we will continue to follow developments regarding NAFTA and any potential impacts for horticulture.

Business Risk Management

Over the last year, the Canadian Horticultural Council's (CHC) activities regarding business risk management (BRM) have continued to focus on ensuring that programs are in place to provide improved assistance to growers at times of marketplace fluxuations or in response to events that are beyond their control. BRM programs are very important to our producers and they need to be practical and beneficial to the produce supply chain.

During 2016, the federal government initiated consultations leading to the development of the Next Agriculture Policy Framework (NPF). The first part of the year included consultations on the strengths and weaknesses of programs under Growing Forward 2 (GF2). In July, the Calgary Statement was released by federal, provincial and territorial agriculture ministers, which outlined key priority areas that would guide further consultations and inform the NPF, set to replace GF2 when it expires in March 2018. Business Risk Management was included in these consultations.

CHC staff and the Business Risk Management Committee were involved in consultation meetings in November, where key BRM issues for fruit and vegetable growers were raised with AAFC officials and other industry leaders.

In addition to face to face consultation meetings, CHC formally submitted a proposal for the Next Agriculture Policy Framework, covering a range of issues of importance to horticulture, including BRM programs. Some of the key BRM highlights from the CHC submission were:

- Re-establishing the previous limit that triggers the Agri-Stability Program, so that payments are made when margins for the program year fall below 85% of the producer's historical reference margin;
- Increasing the Agri-Invest basic maximum contribution rate for matching contributions to 4.5% of allowable net sales on eligible commodities and eliminating the caps on government payments;
- Exploring a Self-Directed Production Insurance Program (SDPI) that would benefit horticultural producers of all farm sizes;
- Minimizing the number of steps that trigger Agri-Recovery payments to growers facing a disaster situation; and
- Providing federal funding support for provincial programs to help fill in gaps in existing BRM programs.

The Product Recall research project that was approved in 2016 was recently re-evaluated by the Board of Directors where it was determined that the project would not be going forward. The Board remains open to reconsidering this, should there be interest in re-engaging on this project.

CHC staff and the Business Risk Management Committee will continue to work to influence decision-makers to ensure that BRM programs are effective and beneficial to growers.

Research and Innovation

Innovation through collaboration

The Canadian Agri-Science Cluster for Horticulture 2 is an investment of \$9.6 million bringing together expertise from academia, industry and government to address key challenges in the apple and potato industries. Cluster 2, led by the Canadian Horticultural Council, encompasses ten research projects to be undertaken in the period April 2013 through March 2018.

The \$6.8 million federal government investment, made under Agriculture and Agri-Food Canada's AgriInnovation Program, supports scientists, industry experts and academics in conducting research focused on reducing crop input costs while improving marketable yield and margins for apple and potato growers. In addition to the funding from the AgriInnovation Program, CHC's industry partners are contributing matching funds of \$2.8 million to the Cluster 2 program.

Key Messages

Cluster 2 activities have already resulted in various positive outcomes. The following is a sample of such successes:

- *Development of a science-based on-farm strategy made up of sound and well-planned best management practices to reduce PVY (Dr. Mathuresh Singh - Agricultural Certification Services Inc.)*

Combined mineral oil spray, and to a lesser extent mineral oil spray alone, is effective management techniques to reduce on-farm PVY spread, whereas insecticide-only sprays consistently showed no effect.

- *New biological control products for postharvest diseases of pome fruit (Louise Nelson, University of BC Okanagan Campus)*

Findings suggest *P. fluorescens* provides control comparable to BioSave®, but was less effective than the synthetic fungicide Scholar®. In order to achieve efficacy similar to that of chemical fungicides, which is in the range of 98-100%, *P. fluorescens* will need to be applied in combination with food additives (currently being tested) or lower doses of fungicides.

For additional Cluster 2 information and semi-annual reports to industry, please visit the CHC website for detailed updates.

www.hortcouncil.ca/projects-and-programs/agri-science-cluster2.aspx

The Agri-Science Cluster for Horticulture 2 is generously funded by nearly 50 industry partners and Agriculture and Agri-Food Canada's AgriInnovation Program, a Growing Forward 2 initiative.

Preparing for a third Agri-Science Cluster for Horticulture



Agriculture and
Agri-Food Canada

Agriculture et
Agroalimentaire Canada



CHC has initiated the planning process for Cluster 3, anticipated to be part of Agriculture and Agri-Food Canada's next suite of programs, to begin in April 2018. Timelines have been defined in order to ensure submission to AAFC well within their program deadlines. CHC has been working with commodity groups to update and/or develop research and innovation strategy documents through priority setting exercises. The apple, berry, potato, greenhouse groups conducted such exercises in late 2016 and early 2017. The vegetable group has initiated the process and should have their strategy finalised early spring.



Commodity coordination

The CHC Commodity Standing Committees meet annually at the CHC annual general meeting and their respective sub-committees and working groups meet regularly during the year. Through this multi-dimensional approach, we are able to meet the needs of members and their growers on the many issues facing industry in a comprehensive and cohesive manner, speaking with one strong voice.

Commodity Working Groups are very active in the CHC process, as many of the day to day issues and initiatives accomplished by the CHC take root there. Current working groups are in place for Greenhouse, Potatoes, Blueberry, Apples and Vegetables. What follows is a short description of each of these commodity working group's activities over the course of 2016.

Commodity coordination

Apple

The Apple Working Group (AWG) is tasked with addressing and moving issues forward in the interval between annual general meetings. The group is comprised of member representatives from each of the major growing regions of Canada as well as the Executive Directors of their respective provincial grower organizations. The group is also accompanied by an AAFC sector specialist who contributes significantly to assist members in their endeavours.

Apple Working Group Meetings

The Apple Working Group (AWG) met formally twice in 2016: at the CHC AGM in March and the Mid-Summer meeting in July. A number of conference calls have also taken place.

The CHC Mid-Summer Apple Meeting was held on July 26 & 27, 2016 in Moncton, NB. The event was hosted by the Apple Growers of NB. 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, the National Apple Planting and Replant Program Opportunity, Ministerial Exemptions, and HS Codes for Honeycrisp. The July 27 orchard tour included stops at: Master Packaging (Dieppe, NB); Verger Belliveau Orchard (Memramcook, NB); and La Fleur du Pommier (Cocagne Sud, NB). The 2017 Mid-Summer Apple Meeting and tour will be held in Quebec.

National Tree Fruit Investment Program

Most notably this year, the AWG developed a proposal for a National Tree Fruit Investment Program. The proposal outlines current challenges facing the industry and the positive impact federal support would have for fruit production in Canada.

The industry is requesting funding to help offset interest that growers must pay in the first five years borrowing from private investments. These investments go towards the modernization of farm operations in two key areas: planting and renewal of acreage, and investing in modern packinghouse infrastructure.

There is considerable expense required to develop modern tree orchards, which take

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approximately three seasons after planting to produce. For planting and renewal of acreage, this funding request would support the renewal of 25 per cent of the acreage that has been lost due to a decrease in domestic market share with increased imported fruit.

To keep up with production, modern packinghouse infrastructure is also needed with energy efficient cooling and storage capacity, as well as advanced technology and innovative equipment for grading, sorting, packing and storing.

An annual federal investment of \$48.6 million over five years would provide much needed support for the industry to renew acreage and enhance infrastructure facilities. This investment will enable the apple industry to grow and compete internationally. It will also generate \$176 million in private annual investment.

The support of the federal government for acreage renewal and modern infrastructure will ensure increased availability of high quality, locally grown produce, increased employment, increased export opportunities and it will facilitate the continued adoption of new, environmentally friendly technology.

National Research and Innovation Strategy

The apple industry, under the guidance of CHC, developed a national research and innovation strategy with the following key result areas:

- Maximizing quality & minimizing losses
- Technology, mechanization, automation and efficiencies
- Sustainable practices
- Variety & rootstock development & evaluation
- Broad marketing strategy
- Enabling strategy: knowledge collection, translation and transfer

Canadian Apple Production and Market Share

Statistics show the national significance of the production and value of apples in the last five years.

Canadian apple production, 2011-2015 average

Region	Volume (Metric Tonnes)	Value
Maritime Provinces	40,135	\$20M
QC	109,090	\$57M
Ontario	115,487	\$64M
BC	94,468	\$46M
Canada	359,179	\$188M

Source: Statistics Canada. Based on the most recent 5-year average (2011-2015) data

Canada's Domestic Fresh Apple Market Share, by Volume and by Value

5-Year Average for 2011/12 to 2015/16		Volume (Metric Tonnes)	Value
Canadian Production		359,179	\$188M
Canadian Exports		30,203	\$37M
Canadian Imports	Total Imports	221,974	\$274M
	Imports from Washington State	143,531	\$189M
	Imports from Other Sources	78,443	\$85M
Canadian Apple Producers' Market Share of Canada's Fresh Apple Market = 60%			
Washington State Producers' Market Share of Canada's Fresh Apple Market = 26%			
Other Foreign Producers' Market Share of Canada's Fresh Apple Market = 14%			

Source: Statistics Canada. Based on the most recent 5-year average crop year data.



Commodity coordination Blueberry

Jack Bates (British Columbia) has served as Chair for the Blueberry Working Group (BWG) for the last four years. The BWG met once at the 2016 CHC AGM. The development of a National Blueberry Research and Innovation Strategy as well as crop protection issues (Spotted Wing Drosophila in particular) remained the dominant topics of discussion over the course of this last year.

National Research and Innovation Strategy

The berry industry, under the guidance of CHC, developed a national research and innovation strategy with the following key result areas:

- Integrated pest management
- Cultivar development
- Product-market development
- Health research
- Production
- Enabling strategy: knowledge collection, translation and transfer



Commodity coordination Greenhouse

Greenhouse Vegetable Working Group Focuses on Developing a National Collaboration

As the greenhouse vegetable sector has grown, the need for a national coordination role at CHC became evident. In 2016, this became reality. Under the leadership of the Greenhouse Committee Chair, engagement with the regional greenhouse representation continues to grow. The Greenhouse Vegetable Working Group (GVWG) met several times this year by conference call and in person. A summer meeting and tour in Leamington introduced the new National Coordinator, Julie Paillat, to the sector and provided the group the chance to tour the AAFC Greenhouse and Processing Crops Research Centre at Harrow, Ontario.

Greenhouse Statistical Information and Reports

Weekly greenhouse reports, prepared by the AAFC Market Analysis and Information Section, continue to be distributed to the group. The report details weekly import data for tomatoes, peppers, and cucumbers by value (CAD) and volume (KG), both nationally and provincially, as well as the weekly imports by country of origin. Farm Cash Receipts for greenhouse vegetables were reported for the January to September timeframe by Statistics Canada in The Daily on November 29, 2016 at \$1.067 billion, an increase of 1.9% when comparing 2015 to 2016.

Carbon Pricing

Carbon pricing has serious implications for the greenhouse vegetable sector. CHC and the GVWG have developed several key documents to outline the greenhouse vegetable sector position, including:

- A discussion document that provides a scan of the provincial policies, the measured impacts, and examines what key elements need further consideration by government policy makers;
- A one-page document on carbon dioxide's importance to greenhouse vegetable production; and,
- A briefing note highlighting recommendations to harmonize carbon pricing policies

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within NAFTA, and provide relief for Canadian greenhouse vegetable growers until harmonization is achieved.

The documents were leveraged by GVWG and CHC representatives who delivered key messages to senior policy advisors of Environment and Climate Change Canada when they met in mid-January, 2017. While there has been no commitment from Minister McKenna, we will continue to raise the issues, and lobby for a meeting with Minister MacAulay.



From left to right: Rick Seguin, General Manager, Ontario Greenhouse Vegetable Growers; Peter Cummings, Chair, BC Greenhouse Growers' Association; Linda Delli Santi, Executive Director, BC Greenhouse Growers' Association (and Chair of the CHC Greenhouse Vegetable Committee); Julie Paillat, Greenhouse Vegetable National Coordinator, CHC; Rebecca Lee, Executive Director, CHC; J.P. Jepp, Senior Policy Advisor, Minister's Office, Environment and Climate Change Canada; Adam Baylin-Stern, Policy Advisor, Minister's Office, Environment and Climate Change Canada. Photo: CHC.

Market Access

Access for peppers to Japan were secured after nearly 25 years of negotiations. Access is not normally requested for a specific province; however, access was achieved solely for BC peppers, since Tobacco Blue Mould, a plant disease of concern for Japan, has never been detected in BC. Exports of BC greenhouse peppers to the Japanese market could reach as high as \$20 million annually, according to the BC Greenhouse Growers Association.

In September, the GVWG discussed and agreed on a prioritization of international markets and submitted an official request to Market Access Secretariat for new access to mainland China for peppers and tomatoes. Currently Canada has access to China for cucumbers and to Hong Kong for cucumbers, tomatoes, and peppers. The anticipated Chinese market demand has the potential to rival our North American sales, thereby supporting a significant increase in productive capacity for all three products, particularly as certain logistical issues are resolved and efficiencies are achieved.

CFIA - Biosecurity

Following the CFIA-led development of the *National Voluntary Farm-Level Biosecurity Standard for Greenhouse, Nursery and Floriculture Sectors* in 2015, individual sectors developed supporting guides to assist growers to develop biosecurity plans that are unique to their farm. The *Greenhouse Vegetable Sector Biosecurity Guide* provides biosecurity measures to achieve pest risk mitigation goals identified as target outcomes set within the Standard. In addition, a self-evaluation checklist tool has been included to allow growers to document their current biosecurity measures and action work plan for areas that still need implementation.

Research Strategy

The greenhouse vegetable sector, under the guidance of CHC, has seen the development of a national research strategy with the following key result areas:

- Pest management
- Labour
- Energy and efficiency
- Production outcomes
- Consumer preferences
- Enabling strategy: knowledge collection, translation, and transfer

Crop Protection

The CHC Crop Protection Advisory Committee (CPAC) greenhouse vegetable representation, National Minor Use Committee, the Minor Use Pesticides Priority Setting Workshops, the IR-4 Workshop, regular and emergency pesticide registrations, and a variety of related activities, have been supported by contract with Iris Bitterlich, Camas Agri Consulting, who has significant technical expertise and greenhouse experience. The new National Coordinator was encouraged to participate in both the minor use and CPAC meetings to build familiarization and contribute to the overall national representation.

CHC is working with the GVWG and the CPAC in its response to the PMRA proposed decision on Imidacloprid (Intercept) and initiation of Special Reviews for Clothianidin (no registered products for greenhouse) and Thiamethoxam (Flagship). The high level of greenhouse grower participation to the CHC grower surveys is a major contribution within the overall CHC response.

In response to the PMRA proposed decision on Imidacloprid, an AAFC Multi-stakeholder forum met and formed three working groups: Environmental Monitoring, Mitigation, and Alternatives. The AAFC Multi-stakeholder meetings have underscored the value of Imidacloprid, and

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demonstrated the willingness of grower groups to contribute to joint efforts to maintain uses, look at alternatives, and mitigate risks.

Reusable Plastic Containers (RPC) Study

The funding applied for by CHC under the Agri-Marketing Program (GF2) was matched 3:1 by AAFC (totalling \$127,000; or 75% of project costs). The RFP was awarded to Intertek of Saskatoon in late summer. Fall sampling in Quebec (field vegetable grower) and BC (greenhouse vegetables) were limited to only one visit each as the number of loads of RPCs were reduced at that point in the shipping season with fewer orders. The original Ontario greenhouse vegetable site had a false start and a second site was only lined up in January, 2017. However, despite many challenges to the project, further sampling has continued at BC and ON greenhouse sites and as many samples will be collected as possible before the deadlines for project activities of March 31st. The final sample size should be sufficient to provide statistically-valid results.

Organics

This year, CHC and several GVWG members increased involvement in organic regulations: amendments in Canada, review of hydroponics in the US, and discussions on harmonization. In September, 2016 the Canadian General Standards Board (CGSB) Technical Committee on Organic Agriculture (TC) evaluated various working groups' proposed amendments to the 2015 Organic Standards, including changes that had critical implications for organic greenhouse crops.

In addition, CHC continues to work with the GVWG for member input to ensure the answers proposed by the Standards Interpretation Committee (SIC) to industry's questions, are applicable. For example, the clarity provided by the SIC definition of the total growing area is important to ensure greenhouse vegetable growers use the same measurement for soil volume and uniformly apply the requirements as directed under the Canadian Organic Standards.

The GVWG continues to discuss the regulatory uncertainty in the US around organic certification for hydroponic production and the related trade impacts. In the US, hydroponics are allowed and certified. The US-based National Organics Standards Board (NOSB) is currently reviewing hydroponics, aquaponics, and aeroponics. CHC will continue to monitor, consult, participate and report back wherever possible regarding NOSB recommendations, decisions, and the USDA National Organic Program (NOP) Rule.

Also in September, CHC participated in a meeting jointly hosted by AAFC-CFIA-MAS for the purposes of discussing the negotiation of organic equivalency agreements that facilitate international trade by aligning their certification systems.

CFIA Pest Risk Assessments

There is an ongoing concern that CFIA Pest Risk Assessments have not recognized the unique conditions that greenhouse facilities afford pest species that would otherwise be unable to over-winter in Canada. The Mediterranean fruit fly (Medfly) is a case in-point that the GVWG plans to discuss with CFIA, along with potential mitigating initiatives such as the perimeter strategy with the US.

Grade Standards

CFIA grades for cucumbers have come up in discussion at the GVWG since current standards may not be meeting the real demands of current and potential markets, especially as they relate to small sized, high quality cucumbers. The GVWG continues to work to identify the opportunities for a review of CFIA grades on greenhouse products.

Labour

The GVWG has discussed the need for effective communications on the importance of the labour programs to the greenhouse sector. The sector shares the CHC goal of better informing partners and government officials on the necessity of the programs, with concrete examples of successes, vs. how and why the sector employment needs are still not being met.

Commodity coordination

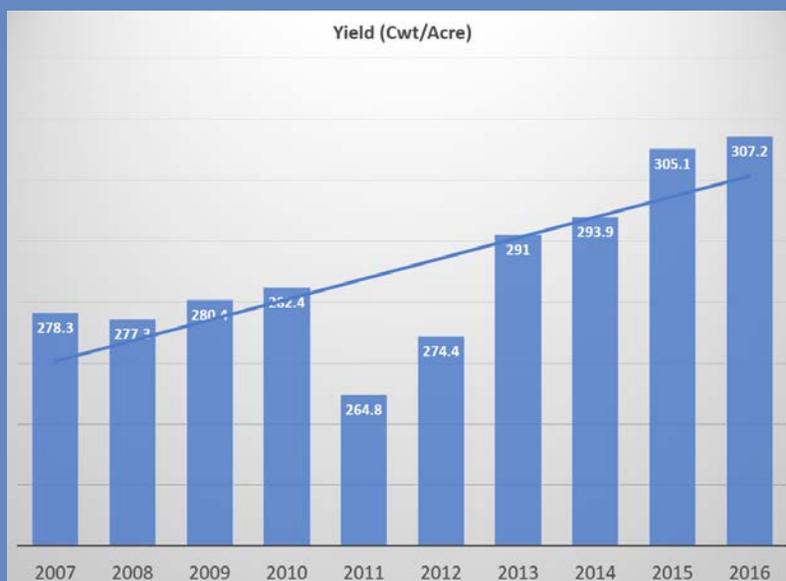
Potato

2016 Overview

Canadian growers planted 346,827 acres (140,356 ha) of potatoes in 2016 which was 1,486 acres (601 ha) or 0.4% less than the previous year. Planted acres increased over 2015 only in Nova Scotia and British Columbia.

Production increased marginally (0.5%) in 2016 compared to the prior year with 105.2 million hundredweight (Cwt) or 4.78 million mt of potatoes were grown in Canada. Once again, growers produced a record national average potato yield of 307.2 Cwt/acre (34.43 mt/ha).

Canadian seed potato growers grew 52,719 acres (21,335 ha) of certified seed in 2016. This certified seed acreage represented a 3.0% decrease compared to the previous year. The provinces with the largest acres of seed production were Prince Edward Island (15,538 ac/6288 ha), Alberta (10,867 ac/4398 ha), New Brunswick (9,118 ac/3,690 ha), Quebec (6,501 ac/2,631 ha), and Manitoba (6,170 ac/2,497 ha). The varieties with the largest areas of certified seed production continue to be Russet Burbank (11,705 ac/4,737 ha) and Goldrush (4,030 ac/1,631 ha) representing 21.8% and 7.5% of total area, respectively.



Statistics Canada. Table 001-0014 - Area, production and farm value of potatoes, annual (accessed: February 24, 2017)

	2016 Planted Acres			2016 Production		
	Acres	%	% change 2015	'000 Cwt	%	% change 2015
Canada	346,827	-	-0.4	105,172	-	0.5
Newfoundland and Labrador	400*	0.0	0.0	nr	nr	nr
Prince Edward Island	89,000	25.7	-0.6	25,723	24.5	3.4
Nova Scotia	1,774	0.5	8.5	432	0.4	23.6
New Brunswick	47,629	13.7	-1.1	14,335	13.6	-5.3
Quebec	41,761	12.0	0.0	11,914	11.3	-3.7
Ontario	34,800	10.0	0.1	6,602	6.3	-20.7
Manitoba	65,914	19.0	-2.1	22,400	21.3	3.4
Saskatchewan	6,000	1.7	0.0	1,475	1.4	-1.7
Alberta	52,300	15.1	-1.6	20,012	19.0	3.7
British Columbia	7,249	2.1	21.4	2,205	2.1	29.5

Statistics Canada. Table 001-0014 - Area, production and farm value of potatoes, annual (accessed: February 24, 2017)

*estimated; nr = not reported

2016 Activities

Research

- Six potato projects completed the fourth year of the Agri-Science Cluster2.
- A Late Blight AIP project that focusses on surveillance/strain identification, environmental factors influencing new strains of the pathogen and susceptibility of strains to fungicides was initiated with Agriculture and Agri-Food Canada (AAFC).
- The Research Working Group met in Fredericton NB in October 2016 to enhance collaboration with AAFC scientists and to initiate the identification of industry research priorities for the next 5-year period. Membership was expanded to include processors.
- The National Potato Research and Innovation Strategy was updated with research priority areas for the period 2018-2023:
 - Creating potato varieties for Canada
 - Soil health and fertility
 - Precision agriculture, new technology, and data driven agriculture

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- Seed quality and physiology
- Pest and disease
- Water management
- Storage and post-harvest physiology

Promotion and Marketing

- Two video promotions featuring potato recipes through the Canadian Produce Marketing Association's Half Your Plate campaign, featuring Chef Michael Smith, were funded by provincial organizations and were released in May 2016 (red and yellow potatoes) and September 2016 (russet potatoes).

AgriMarketing2

- Potatoes Canada continued to participate in international trade shows (Asociación Latinoamericana de la Papa) and continued work on a database of export requirements, promotional activities and incoming missions (in October 2016, the Canadian Food Inspection Agency (CFIA) announced that Alberta seed potatoes had gained market access to Thailand).

Crop Protection Activities

- Collaboration with the Pest Management Regulatory Agency (PMRA) and registrants resulted in continued grower access to phorate for wireworm control in potatoes with the registration Thimet 20-G.
- Through the CHC Crop Protection Advisory Committee, responses to a number of PMRA Proposed Re-evaluation Decisions of significance to potato growers were submitted to the PMRA.

Potato Task Force - Seed Potato Tuber Inspection

- The Potato Task Force Final Report was completed in August 2016 and, at that time, a request to present the report to the Minister of AAFC was submitted.

Feasibility Study National Promotion and Research Agency for Potatoes

- Consultation with a wider stakeholder audience (processors, importers) was identified as a priority and requirement before proceeding. Consultations with stakeholders continued through 2016.

Canada-United States Potato Committee

- This is a longstanding tradition of meeting with US potato industry colleagues, CFIA and USDA-APHIS to discuss industry issues of mutual interest. The Committee met November 4, 2015, in Toronto.

Grower Representation

- Canadian growers were represented on the Board of APRE (Alliance for Potato Research and Education), the Steering Committee of the Potato Sustainability Initiative, the AAFC Seed Sector Value Chain Roundtable and the CFIA Plant Breeders' Rights Advisory Committee.

Trade

- Priority markets were reviewed to identify where federal government support is required to achieve market access for Canadian potatoes (fresh and seed).

CFIA Resources

- Meetings with senior CFIA managers were held to express industry concern over diminishing staff resources in the CFIA Potato Section.



Commodity coordination Vegetable

The Vegetable Committee's purpose is to exchange information on the status of crop plantings, production and storage, current market challenges and opportunities, and availability and sources of timely and accurate market information. Marketplace trends and interaction with buyers as it concerns food safety and traceability and consumer preferences are also of interest. It is an effective means to maintain communications and interaction within the sector and among CHC members between annual general meetings.

Market access

Pricing for vegetables throughout grocery chains remained relatively good. A favourable exchange rate, which put us at an advantage over the US, provided our producers with opportunities for exports, thus putting us in a strong bargaining position against such distributors as Loblaw, Metro, Sobeys and Walmart. The most recent data for 2015 in Quebec, for example, indicates that export sales increased from 34% to 48% between 2014 and 2015.

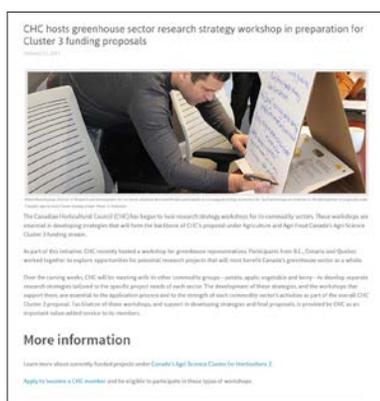
Challenges and Trends

The sector faces many environmental issues and there will be many challenges to overcome, such as water use, the development of wetlands, and pest management. The Vegetable WG has high hopes for the Next Agricultural Policy Framework and is working towards developing a national research strategy to collaborate and identify common issues in various regions throughout the country, as well as the biggest threats.

Outreach and Communication

CHC saw ongoing results from its communication efforts in the past year, despite a lessened state of activity due to staff changes. The following is a summary of ongoing work and key communications achievements since the last report.

News articles



CHC posts news articles to its website based on CHC activities and relevant industry news. News articles are publicly accessible, enhance CHC's credibility and online presence, and help to showcase the value of CHC work. CHC published over **34 news articles** in the past year.

Hort Shorts newsletter



News article summaries are compiled once a month into CHC's HortShorts newsletter. The newsletter is then distributed to CHC's subscriber list, which includes all CHC members, as well as other stakeholders who have independently subscribed via CHC's website.

Since the last report, **CHC redesigned HortShorts** to help readers access the newsletter on mobile devices, and to simplify the presentation of article summaries. The redesign also makes it easier for both English and French audiences to read the content and to sign up for the newsletter in their language of choice. HortShorts currently has about 950 subscribers (86% English, 14% French).

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Member Notes



CHC issues Member Notes based on critical information that matters the most to growers. These special bulletins include re-evaluation decisions by the Pest Management Regulatory Agency (PMRA), important trade-related matters, as well as deadline-dependent information like crop protection consultations and AGM event registrations. Member Notes are specifically sent only to members and are not available to the general public. CHC issued over **25 Member Notes** in 2016.

Activity Logs

The screenshot shows a table titled "ACTIVITY LOG" for December 2016. The table has three columns: DATE, ACTIVITY, and PARTICIPANTS. The activities listed include a webinar on Australian Experience with Government-Industry Partnerships in Plant and Animal Health CFIA, a research working group conference call for the Canadian Potato Council, and a 2016 Annual Market Access and Development Meeting in Ottawa, ON.

DATE	ACTIVITY	PARTICIPANTS
December 1	Australian Experience with Government-Industry Partnerships in Plant and Animal Health CFIA Webinar	David Jones
December 2	Canadian Potato Council Research Working Group Conference Call	David Jones
December 3	2016 Annual Market Access and Development Meeting - Ottawa, ON	Rebecca Lee Keith Kuhl
December 6-8	GrowCanada Conference - Ottawa, ON	Rebecca Lee Keith Kuhl Charles Stevens

CHC lists its lobbying and relationship-building efforts in its activity log, and distributes it to members **once a month**. The logs specify what meetings were held and who from CHC attended each meeting. Activity logs are not available to the general public.

Member Feedback Survey

The screenshot shows a survey form titled "Member Feedback Survey (7 questions)". The first question asks for the level of agreement with three statements on a scale of 1 to 4 (1 being strongly disagree, 4 being strongly agree). The statements are: "The information I've obtained recently from CHC is the best possible", "I would like to see more information from CHC", and "I am satisfied with the way CHC handles their responses to me". The second question asks "How might CHC increase its value to members?" and the third asks "What are the key strengths of the CHC in your view?".

In December, CHC invited its members to submit their feedback on CHC priorities and communications preferences using an online survey. **CHC collected over 90 responses**, or about a third of those invited. The data will help CHC manage ongoing and emerging issues over the course of the year, and has helped to provide key inputs to the strategic plan. From a communications perspective, the vast majority of users prefer to stay informed of CHC through email, via Member Notes and HortShorts. Very few members are interested in engaging through LinkedIn and Facebook, and a high number of members would like to start receiving information via YouTube.

Harvest on the Hill lobbying week



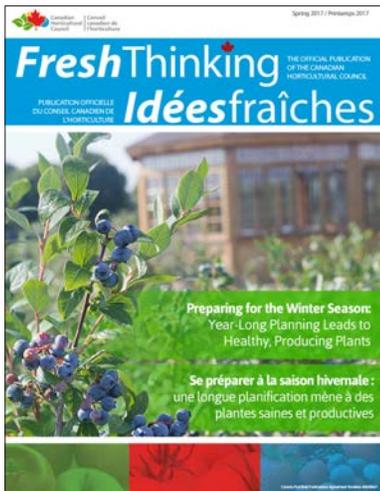
CHC's annual lobbying blitz on Parliament Hill, in partnership with the Canadian Produce Marketing Association, took place in mid-November. CHC communications **helped to prepare the fact sheets and leave-behinds** that were distributed to nearly 60 parliamentarians and senior government officials during three days of meetings.

Summer Tour



On July 7, CHC held its annual Summer Tour in British Columbia's Lower Mainland. The day-long tour brought together industry leaders, growers and Members of Parliament to explore and learn about various aspects of Canada's horticulture industry. Participants visited four operations during their journey: Sunnyside Greenhouses, Heppell's Potato Corporation, Krause Berry Farm, and Westcoast lawn/Envirosmart Organics.

Fresh Thinking



CHC updated its flagship publication, Fresh Thinking, to make it **more relevant for its audiences**. Firstly, members will note that it is now fully bilingual. The reason for this is that CHC is a national organization and it cannot arbitrarily make decisions, every issue, about which articles deserve to be translated. Fresh Thinking has also been reframed to provide a big-picture look at the issues that are facing the horticulture industry, and what these possible changes might mean for growers. Finally, although Fresh Thinking will take a big-picture approach with its stories, it will also try to leave growers with actionable advice that can be useful to them.

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Media Relations



CHC communications continues to monitor and engage with the media. Since its last report, CHC has been mentioned at least seven times in the press: in the CBC (twice), the Globe and Mail, Canadian Business, the Western Producer, and Grainews. CHC also continues to track articles on key issues and takes note of journalists that are interested in certain stories, for future outreach initiatives.

Government Engagement



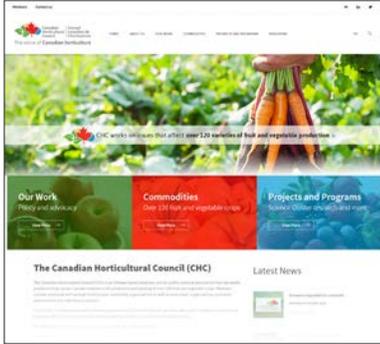
CHC communications also continues to support government engagement efforts. These activities often include **writing letters, such as thank you letters and letters of congratulations, preparing or revising fact sheets and leave-behinds, and helping with presentations.** In all these efforts, CHC communications ensure the highest quality of writing, the utmost clarity of message, and the most professional presentation possible.

Crop protection information tour for key government officials



In August 2016, CHC hosted a crop protection information tour of Quebec horticultural production facilities for staff of Health Canada's Pest Management Regulatory Agency (PMRA) and Agriculture and Agri-Food Canada's Pest Management Centre (PMC). The tour provided government staff involved in the evaluation and regulation of crop protection products, and the coordination of minor use pesticides, the opportunity to increase their understanding of how growers manage horticultural crops and pests in greenhouse, orchard and field systems.

Website



An organization’s website is its primary communications channel with many outreach efforts serving to draw audiences back to it. It is often also the first point of contact for anyone trying to find information about the organization and its key issues online. Because having a good web presence is so important for any organization, and especially for one that represents a national industry, CHC **redesigned its website in April 2016** and continues to improve efficiencies with content.

Strategic Communications Plan



Communications has developed a strategic communications plan that supports the organizational strategy, and that will guide communication activities in the coming year. Proposed **communication activities serve to advance CHC’s five core areas**. As with all good plans, CHC’s communications strategy is “evergreen” in the sense that the plan will continue to be reviewed and adjusted based on evolving corporate priorities.

Bees Matter



CHC communications provides support to the Bees Matter initiative that is funded and led by CropLife Canada. The program is intended to raise awareness of and to promote pollinator bee health, as pollinator bees are important to the health of agricultural crops across Canada. CHC contributes subject matter expertise to the strategy, planning and creation of marketing collateral.