



2017 ANNUAL REPORT

Since 1922

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





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Message from the President

As a young farmer, growing up on my dad's farm, I had little idea what the Canadian Horticultural Council was. I knew it was in Ottawa and that every once in a while, my dad would get on the phone and talk to Harry Greenlaw. Harry was another potato farmer about 30 minutes from where we lived, who happened to be CHC President at the time. My dad spoke very highly of Harry and I knew that, if people like Harry were involved with CHC, then CHC must be important.



In later years, I became involved with CHC myself through the PEI Potato Board and I got to see first-hand why CHC matters. One instance in particular comes to mind:

In 1989, the U.S. suddenly stopped accepting PEI potatoes because of Potato Virus Yⁿ (PVYⁿ). It didn't matter that the virus had only been found on one farm, or that the U.S. also had PVYⁿ at the time (although it hadn't yet been reported), they simply stopped all imports of our potatoes. All of a sudden, no other province wanted PEI seed potatoes either, for fear the disease would spread. Farmers, shippers, and other service industries in PEI all started to suffer.

The mood at the CHC Annual General Meeting was tense that year. PEI farmers didn't know where to get clean seed, nor if they'd be able to sell their own product once it was harvested. I knew I had to stand up and say something. "We have a big problem, mister Chairman," I said. "We have no idea whether we can plant the seed we have in storage or not. People at this meeting know what the disease is. We can't leave here without a plan on how to not lose our farms." A farmer from B.C., Mr. George Wright, heard my remark and stood up. He was very knowledgeable, not only about the disease, but also about government procedure. He got the ball rolling. He helped paint the path forward for us, and we voted right then and there to move forward with the plan.

Because of CHC, a farmer from the east coast was able to find common ground with a farmer from the west coast. 30 years on, this same scenario continues to be played out every year, on a wide range of topics, covering all commodities.

Among the organization's many successes in 2017, I would highlight CHC's cooperation with the rest of Canada's agricultural industry in lobbying government on its proposed tax changes. CHC's quick action on this file averted a potentially disastrous scenario for the farming community. CHC displayed fantastic flexibility and initiative in moving to address this issue—an issue that came to us as a total surprise in the middle of the summer. On a more disappointing note, I would have to say that the government's ongoing refusal to grant us financial protection is a grave concern. After working on it for more than 20 years, we must re-sharpen our focus and try to figure out what's missing to finally resolve this frustrating issue.

In the meantime, and on all other files, I encourage CHC to continue to lean on its key strengths—a dedicated and knowledgeable staff, the expertise of its Board, committee and working group members, and the strength of its relationships with industry associations across the country—to push for policies and regulations that support Canadian horticulture. With NAFTA renegotiations, PMRA re-evaluations, new CFIA and Health Canada regulations, TWFP and SAWP reviews, BRM programs, new research projects, and other trade agreements on the horizon, the value of CHC advocating on our behalf of has never been more obvious.

Alvin Keenan



Message from the Executive Director

CHC experienced a very active 2017. Although we can no doubt say this about every year, our new team certainly saw its share of challenges over the last 12 months. However, we came together formidably, and everyone played their part in the successes that are reported herein – CHC staff, Board members, committee Chairs, and working group members repeatedly rose to the occasion, and displayed great adaptability in dealing with many unanticipated issues.

For example, we responded to a much higher number of government consultations than planned this year, showed great responsiveness to the small business tax changes the government unexpectedly proposed over the summer, and involved ourselves in ever-lengthening NAFTA re-negotiations with continued energy and attention. I'm pleased that we were able to accomplish this in addition to our ongoing work.

Let me provide some numbers to give you a glimpse of the breadth and scope of our activities in 2017:

64

We issued **64** Member Notes that were opened more than **35,000** times

18

We wrote **18** official letters to ministers, senior bureaucrats, and other VIP

21

We submitted comments on **21** different federal consultations

31

We monitored **31** separate PMRA re-evaluations and submitted comments on **6** different chemistries

400

We participated in over **400** external industry-focused meetings, events and conference calls

35

We collaborated with over **35** industry associations, working groups and committees

Elsewhere in this annual report, you will find details on the work undertaken and our various accomplishments in our five core advocacy areas and five commodity groups. These activities were undertaken based on our 2020 Strategic Plan, and with input from members in the form of resolutions adopted at our Annual General Meeting. These references continue to provide the guidance that we need to select, prioritize and plan our resources for the coming year.

Because we live in an ever-changing world, we need to be constantly monitoring for potential threats and opportunities to our sector—and be prepared to respond to them quickly and effectively. As I mentioned, the government’s surprise tax proposal over the summer demanded that we move in this way. CHC responded to the threat quickly, becoming one of the first farm groups to join the Coalition for Small Business Tax Fairness.

Under the crop protection file, we have also been diligently looking out for news of re-evaluations and special reviews, and so have been monitoring PMRA feeds regularly. When a new issue pops up, we distribute the relevant information to our working group, and gather member feedback for our subsequent response to the PMRA.

The many consultations government put out this year also required significant time and resources to prepare comments that were representative of our sector’s concerns.

Throughout all its activities, CHC has been able to anticipate and respond appropriately to emerging issues and opportunities thanks to ongoing communications between staff, working groups, and CHC leadership.

We have developed deeper and more substantial relationships with MPs, Senators and government departments, including with senior officials in the Prime Minister’s Office; Global Affairs; International Trade; Innovation, Science and Economic Development; Employment

and Social Development; Health; Environment and Climate Change, and, of course, Agriculture and Agri-Food. We also continued to engage with industry associations and collaborated on issues of mutual concern, and we regularly participated in industry events to stay informed of current issues and to discover new opportunities.

We have provided more regular, more informative communications to members, and we have made our advocacy positions clearer and with higher frequency to industry and government stakeholders. We also believe in the importance of visiting our members to learn about their issues and to share information. To this end, I have personally attended five separate Annual General Meetings of our members this year, and have traveled to seven different provinces in the 1.5 years I have been with CHC.

We are taking better advantage of the expertise of our members and working groups to support additional lobbying activities, such as with our GRower lobbying activities on Parliament Hill.

We are better supporting commodity areas, with several commodity groups having completed a prioritization exercise for research funding under the Canadian Agricultural Partnership.

Looking forward, however, we need to ensure that our daily activities ultimately ensure the future of our sector in the long-term. We need to look at how the Canadian and global food systems are changing and what we can do to secure the success of Canadian horticulture in this emerging world.

How do we prepare for this future? We will need to consider competition, regulation, innovation, and collaboration at the highest levels. This is this lens through which we must begin to look at marketplace, policy and on-farm issues. The time is now for us to begin this greater dialogue within our membership and to plan for the longer term within CHC.

Looking forward to CHC’s 100th anniversary in 2022, we need to build on our Legacy Program, and initiate a process to identify and delve more deeply into specific themes that will be critical to our sector over the next four years.

I end by thanking the CHC staff: Amy Argentino, Jennifer Babcock, Diane Elliott, Dave Folkerson, Caleigh Irwin, David Jones, Julie Paillat, Patti Proulx, Sharon Savoie, and Linda Vinokuroff. We have grown stronger as a team, taking advantage of each other’s talents, and have supported one another through challenges. CHC gets better every day through your efforts.

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



Rebecca A. Lee
Executive Director



Business Risk Management

Business Risk Management (BRM) programs help farmers manage risks that threaten the viability of the farm. They provide protection against different types of income and production losses.

CHC advocates on behalf of fruit and vegetable growers to ensure the maximum effectiveness of Canada's BRM programs: AgriStability, AgriInvest, AgriInsurance, and AgriRecovery. In summer 2017, Agriculture and Agri-Food Canada (AAFC) announced changes to AgriInvest and AgriStability that will come into effect April 1, 2018.

AgGrowth Coalition

In January 2017, six agriculture organisations joined to form the AgGrowth Coalition. In May 2017, the Coalition met the Minister of Agriculture to discuss the need for a joint industry-government review of the whole suite of BRM programs. The AgGrowth Coalition includes CHC, the Canadian Federation of Agriculture, Grain Growers of Canada, the National Sheep Network, the Canadian Canola Growers' Association, and Grain Farmers of Ontario.

The federal, provincial and territorial (FPT) ministers of agriculture approved the review in July 2017. CHC is working to ensure effective industry involvement and a meaningful and comprehensive review of the programs.

The AgGrowth Coalition has met with key players on the BRM file, including Members of Parliament and government officials to keep the review prioritized as an issue for the industry. In addition to advocacy, the AgGrowth Coalition is funding research to ensure there is adequate data to support industry recommendations.

Expert advisory panel

In December 2017, Rebecca Lee, CHC Executive Director, was appointed to a panel of producers, academics and experts established by government to provide feedback and guidance on the review of BRM programs. The panel's work will help inform ministers on how to improve the effectiveness and impact of BRM programs in meeting the future needs of agriculture. A report will be presented at the next annual FPT ministers meeting, in July 2018.

LOOKING AHEAD

The BRM expert advisory panel and the AgGrowth Coalition will continue to review Canada's suite of BRM programs, with the intent that the panel will provide recommendations for improvements at the FPT ministers' meeting in July 2018.

We will see the Canadian Agricultural Partnership (CAP) come into effect in April, with adjustments to AgriStability and AgriInvest programs, although it remains to be seen how these changes will increase grower participation. Provincial governments are currently working on their bilateral funding agreements for BRM and non-BRM programs under CAP, which include government investment funds and research projects under the innovation cluster.



Members of the AgGrowth Coalition
with Minister MacAulay.



Financial Protection for Produce Sellers

Because fresh produce spoils quickly, sellers cannot recover product from incomplete sales. In the U.S., if a produce buyer goes bankrupt, a grower or seller can rely on the Perishable Agricultural Commodities Act (PACA) Deemed Trust to help them get paid for their sale. CHC has been working with the Canadian Produce Marketing Association (CPMA) and the Dispute Resolution Corporation (DRC), together known as the Fresh Produce Alliance, to advocate for the establishment of a similar limited statutory deemed trust for Canada's horticultural sector. Implementation of such a trust would significantly reduce supply chain disruptions and the vulnerability of small businesses and of rural communities. It would also improve trade relations with the U.S. – our largest and most important trading partner – and trigger the re-inclusion of Canadian growers in the U.S. program.

Appearances before Parliamentary Committees

CHC made use of two appearances before the Parliamentary Standing Committee on Agriculture and Agri-Food (AGRI) to talk about the lack of financial protection being a non-tariff barrier to trade. The Committee subsequently wrote letters of support to both the Minister of Agriculture and Agri-food (AAFC), and the Minister of Innovation, Science and Economic Development (ISED), urging them to look into the file and take action.

Individual meetings with MPs and Senators

In addition to including the topic in individual meetings with MPs throughout the year, CHC made financial protection a key point of discussion during meetings with MPs and Senators during its Fall Harvest advocacy event on Parliament Hill, which it co-organized with the Canadian Produce Marketing Association.

Issue raised during Question Period

In June 2017, CHC successfully worked with Members of Parliament to raise the issue of financial protection for produce sellers, and the creation of a PACA-like trust, during Question Period. The heightened visibility via this question in the House of Commons reminded the government that this issue is incredibly important to industry.

Recommendation of the Finance Committee

Thanks in part to consistent lobbying by CHC, Canada's Standing Committee on Finance recommended that the government create a PACA-like deemed trust in Canada, as part of its recommendations for Budget 2018.

Issue raised during NAFTA re-negotiations

CHC requested that Canadian sellers be included in PACA and that Canada establish a reciprocal deemed trust, in our submissions to both the United States Trade Representative and to Global Affairs Canada. CHC continues to advocate for the win-win outcome a Canada deemed trust would enable during re-negotiations or in parallel to NAFTA.

Response from AAFC and ISED

In January 2018, the AGRI committee received a response to its letter to the ministers of AAFC and ISED. The ministers responded by saying that no action would be taken to establish the deemed PACA-like trust we are looking for. The decision was based on inaccurate information, and the Fresh Produce Alliance (CHC, CPMA, DRC) has already taken steps to continue to push for change. We will not rest until our sector has the protection it needs.

LOOKING AHEAD

CHC continues to work with the CPMA and the DRC to move the financial protection file towards a positive outcome for the industry.





Tax Fairness

In summer 2017, CHC and its members were jolted by a government announcement proposing changes to Canada's small business tax laws.

The government proposed to target income sprinkling, lifetime capital gains exemptions, and passive investments. Although the government's objective was to make the tax system fairer for all Canadians, these changes would have had serious deleterious effects on Canada's farming community and small businesses.

Because of quick action by CHC and industry associations across the country, Finance Canada revised its proposed legislation and, following immense public pressure, also reduced the small business tax, as the government had previously promised.

Finance Canada clarified its income sprinkling rules, declared that it would not move forward with the proposed measures to limit access to the Lifetime Capital Gains Exemption (that would have unintentionally hit farmers the hardest), and that it would not move forward with measures relating to the conversion of income into capital gains.

Rarely does government do such a complete policy reversal in such a short time frame. This success is a testament to the collaborative efforts of over 80 organizations, many of whom CHC had not been in contact with before, all working together towards the same goal.

Coalition for Small Business Tax Fairness

CHC was an early participant in the Coalition for Small Business Tax Fairness, which wrote a letter to the Minister of Finance referenced on the front page of the Globe and Mail on August 31, 2017. In the months that followed, CHC and the coalition submitted a follow-up letter addressing the Finance Minister's counter arguments, and worked with other industry representatives to advocate for revisions to the proposed tax changes. On September 18, an ad was also placed in the Hill Times by this coalition.

Meetings with Prime Minister's Office

CHC and the Prime Minister's Office had a good, frank discussion to clarify issues around passive investments, especially where farmers set aside money for future needs. As a result of these discussions, CHC further investigated issues related to intergenerational transfers and how to ensure farmers are not mistreated in the process. CHC emphasized the need for clarity and direction around the reasonableness test that farmers would need to pass, and offered to work with the Prime Minister's Office on these definitions so that farmers get treated fairly.

Parliamentary testimony

Mark Wales, Chair of CHC's Business Risk Management Committee, spoke about the tax implications for farmers during his testimony before the Senate Standing Committee on National Finance and the House of Commons Standing Committee on Finance.

Media appearances

Mark Wales discussed the proposed tax changes and their impacts on farmers with multiple media outlets, including: Business News Network (BNN), Zoomer TV (before a live studio audience), CBC the Current, CBC Power & Politics, CBC London, Lake 88 Rural Radio, and the Globe and Mail.



Meetings with the Minister of Agriculture and Agri-Food

CHC Board member Fred Steele spoke with Minister MacAulay, and other MPs, mayors and chamber of commerce representatives in Kelowna, BC during the Liberal Caucus Retreat. CHC subsequently wrote a letter to Minister MacAulay on the corporate tax issue. The letter described the impacts of the proposed changes on farmers and was copied to the Prime Minister, the Minister of Finance, and the Chair of the Finance Committee, in addition to all members of the House of Commons Finance and Agriculture committees.

Town hall meetings

CHC attended separate townhall meetings on corporate tax organised by Lisa Raitt, Deputy Opposition Leader, and by Pierre Poilievre, CPC Finance Critic.

Greenhouse lobby days

CHC discussed tax fairness with eight MPs, including the Minister of Agriculture and Agri-Food during its two-day intensive greenhouse advocacy event on Parliament Hill.

CFA Technical Tax Working Group

CHC participated in weekly calls of the Canadian Federation of Agriculture (CFA)'s Technical Tax Working Group, along with other agricultural associations to bring the issue to the forefront of government for farmers.

Case studies

CHC contributed to a series of case studies that served to demonstrate the consequences of the proposed tax changes on farming operations.

LOOKING AHEAD

The changes to the income sprinkling rules were announced in December and it appears that farm family members, who assist in the business, will have many opportunities to receive dividends without undue penalty.

We will continue to monitor all facets of tax fairness, and conduct an analysis of Budget 2018 and the new rules regarding passive investments for any potential impacts to CHC members.



Crop Protection

Fruit and vegetable growers rely on a wide range of crop protection strategies, such as integrated pest management plans and government-approved pesticides, to ensure the health of crops, the safety of Canadians, and Canada's overall food security.

Plant health, biosecurity and up-to-date pest risk assessments are all key components to market access and are important to the protection of the environment. CHC develops and advances crop protection management policies and programs that support market access and that promote the economic viability and competitiveness of Canada's fruit and vegetable growers, while providing safe, healthy food to consumers across Canada.

New position: Manager, Crop Protection

Due to the increasing number of re-evaluations and the high priority of this file, a full-time, permanent position was created within CHC. Caleigh Irwin joined the team as Manager, Crop Protection in September 2017.

Minor Use Pesticides

CHC was part of the organizing committee for the third Global Minor Use Summit, held in Montreal, Quebec. CHC helped to draft the event agenda, hosted the event's online event registration system, and participated in the event. CHC also participated in the 2017 Canadian Biopesticides & Minor Use Pesticides Priority Setting Workshops, and will be attending the 2018 Workshops in Gatineau, in March, which will address the delayed timelines in label reviews.

Re-evaluations

CHC continues to monitor 31 separate PMRA re-evaluations, and is constantly looking out for announcements of new re-evaluations and special reviews.

A complete list of PMRA re-evaluations is available on pages 16-20.

Comments submitted

CHC submitted comments on six different chemistries in 2017. Specifically, we submitted comments on lambda-cyhalothrin and phosmet (both of which were proposed for a cancellation of all agricultural use), permethrin (regarding the extended plant back period), dichlorvos (which was proposed for a phase out of all greenhouse use), quinoxyfen (proposed for cancellation), and ethephon (proposed risk mitigation measures, such as cancellation of use on apple trees when fruit are present).

It is imperative that growers get involved in the consultation process, because regulators need actual use data based on grower experience to support their analysis. For example, in March 2017, the PMRA indicated that it was considering revising its risk assessment on chlorothalonil, based on comments from growers. Growers can see an updated list of current PMRA consultations in each CHC Member Note.

Neonicotinoids

On March 7 and 9, 2017, CHC presented its views to the Parliamentary Standing Committee on Agriculture and Agri-Food regarding neonicotinoid re-evaluations.

Thanks in part to CHC's presentation, Pat Finnigan, Chair of the Parliamentary Standing Committee on Agriculture and Agri-Food wrote a letter to the Minister of Health over the Pest Management Regulatory Agency (PMRA)'s imidacloprid re-evaluation. In his letter, Mr. Finnigan expressed concerns over the lack of transparency in the PMRA's process, and that dialogue with stakeholders must be initiated earlier in the re-evaluation, before a decision is published, to allow for scientific input and new data to be obtained.

CHC conducted several in-person advocacy meetings with MPs and senior government representatives in the departments of Agriculture and Agri-Food and International Trade.

The final decision for Imidacloprid is pending for December 2018. Proposed re-evaluation decisions were published for the clothianidin and thiamethoxam pollinator special review. Comments will be submitted to the PMRA, especially regarding the cancellation of use on apples, but the effort made by the PMRA to obtain and analyse large quantities of data is notable.

Group M fungicides

CHC met with AAFC Minister Lawrence MacAulay on the PMRA's re-evaluation of Group M fungicides, and discussed the limitations of the PMRA budget. CHC will continue to work on Group M fungicide re-evaluations, as the cancellation of all uses would have adverse effects on Canadian horticulture.

Pollinators

Throughout 2017, CHC worked with CropLife Canada and other stakeholders, including the Canadian Honey Council, 4-H Canada, Communities in Bloom, and Pollinator Partnership Canada on an ongoing awareness campaign called "Bees Matter" to promote honey bee health in Canada. The campaign has succeeded in distributing over 185,487 pollinator-friendly seed kits since 2015, and last year achieved over 30 million impressions across all media.

CHC also sits on the annual Bee Health Roundtable, which is focussed on both biotic and abiotic factors that affect pollinator health in Canada. Varroa mite control, pesticides, and pollinator planting guides have been primary discussion topics.

CFIA Plant and Animal Health Strategy

Early last year, governments, industry, academia and others who play a role in plant and animal health finalised the framework for the Plant and Animal Health Strategy as a path to collaboratively safeguard Canada's plant and animal resources. CHC was a member of the Strategy's steering committee and of the working group that focused on prevention. CHC has been asked to participate on the Plant Health Strategy Implementation Task Team for 2018.

A Canadian Clean Plant Network

CFIA is working to develop and implement a program similar to the National Clean Plant Network in the United States, and CHC is participating in workshops to guide the direction and scope of the project. This network would allow data mobilization and communication between agencies, industry, labs and other stakeholders, and would focus on surveillance, research, and detection of pests and invasive species.

Post-application exposure

CHC worked to add a requirement in the Seasonal Agricultural Worker Program (SAWP) contract for post-application worker safety. Concerns about post-application exposure are also driving many of the PMRA's re-evaluation decisions and mitigation measures. CHC is working with the PMRA and other stakeholders to find the data gaps in post-application exposure and to address them.

NAFTA technical working group

CHC attended the NAFTA Technical Working Group on Pesticides in November 2017. This annual meeting brings together representatives from industry, government,

and growers, and discusses harmonization of pesticide regulation, from MRLs to re-evaluations, between the three countries.

Harmonization

Harmonization of both MRLs and of re-evaluations is an ongoing issue and it is currently being addressed by CHC. Collaboration and harmonization, especially with the U.S. Environmental Protection Agency, could optimize the re-evaluation process, but there are many obstacles present given the current political climate.

Crop protection tour

CHC organized a tour of three farms in the Ottawa area for government and industry representatives. Tour attendees witnessed on-farm crop protection practices and discussed priority issues with actual farmers. Staff from the Pest Management Regulatory Agency, the Pest Management Centre, the Canadian Food Inspection Agency, and Agriculture and Agri-Food Canada attended on behalf of government. From industry, CHC welcomed representatives from Ontario Fruit and Vegetable Growers Association and Flowers Canada.

LOOKING AHEAD

CHC will continue to monitor and respond to the increasing frequency of re-evaluations. Grower feedback, in the forms of comments or completed surveys are invaluable to this process. The PMRA is experiencing delays in its work plan, and has an increasing number of both scheduled re-evaluations and special reviews. CHC continues to lobby for additional PMRA support and funding.

Discussions on mitigation of post-application worker exposure have begun, and CHC will continue to work with stakeholders to address how data gaps can be filled and how the information can best be used.

In the following tables:

Purple: Fungicide

Green: Herbicide / Plant growth regulators

Blue: Insecticide

FUNGICIDES

| Active Ingredient | Mancozeb* Group-M | Metiram* Group-M | Ferbam Group-M | Ziram Group-M | Thiram Group-M | Chlorothalonil Group-M | Iprodione Group -2 |
|---|---|---|---|--|--|---|---|
| Trade Name | DITHANE Fungicide | POLYRAM Fungicide | FERBAM Fungicide | ZIRAM Fungicide | THIRAM Fungicide | BRAVO Fungicide | ROVRAL Fungicide |
| Consultation Status | Sept 27, 2013 Response Submitted Pending Final Decision Mar 2018 | Sept 18, 2014 Response Submitted Pending Final Decision Mar 2018 | May 27, 2016 Response Submitted Pending Final Decision Jun 2018 | 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 |
| Proposed Decision Impacting Horticulture | Cancel certain uses and limitations on remaining uses (all crops aerial application is limited to 1 per season) | Cancel all Uses | Cancel all Uses | Cancel all Uses | Cancel all Uses | Cancel certain uses and limitations on remaining uses | Cancel all Uses |
| Horticultural Uses Proposed to be Cancelled (*final decision) | <ul style="list-style-type: none"> • Potato (seed) • Tomato (GH) • Apple • Pear • Grape <p>*total seasonal application of mancozeb and metiram cannot exceed maximum seasonal quantity of one or other product</p> | <ul style="list-style-type: none"> • Potato • Tomato • Asparagus • Carrot • Celery • Apple • Grape <p>*total seasonal application of mancozeb and metiram cannot exceed maximum seasonal quantity of one or other active product</p> | <ul style="list-style-type: none"> • GH Cucumber, GH Tomato, GH Lettuce, Apple, Pear, Apricot, Cherry, Peach, Plum, Blackberry, Boysenberry, Dewberry, Raspberry, Blueberry, Cranberry, Currant, Grape | <ul style="list-style-type: none"> • Tomato • Cucumber, Melon • Squash Pumpkin, Apple (BC only) • Peach (BC only) • Apricot (BC only) | <ul style="list-style-type: none"> • 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) | <ul style="list-style-type: none"> • Broccoli • Brussels Sprouts • Cabbage • Cauliflower • Corn (sweet) • Celery • Onion (dry and green) • Cherry (sweet and sour) • Peach • Nectarine • Blueberry (high and low) • Cranberry | <ul style="list-style-type: none"> • 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) |

FUNGICIDES

| Active Ingredient | Captan Group-M | Fosetyl-Al Group 33 | Trichoderma Harziaianum Strain Krl-Ag2 Group BM02 | Quinoxifen Group E1 | Folpet Group M | Streptomyces Griseoviridis Strain K61 |
|--|--|---|--|---|---|--|
| Trade Name | CAPTAN Fungicide | ALIETTE Fungicide | ROOTSHIELD Biological Fungicide | QUINTEC Fungicide | FOLPAN Fungicide | MYCOSTOP Biofungicide |
| Consultation Status | July 30, 2016 Response Submitted Pending Final Decision Mar 2018 | PRVD2017-19 Proposed decision Due: Jan 29, 2018 | PRVD2017-20 Proposed decision | PRD2018-01 Response Submitted Pending Final Decision | Dec 2017 | Feb 2018 |
| Proposed Decision Impacting Horticulture | Cancel certain uses and limitations on remaining uses | Changes made to PPE and application equipment. REIs increased for apples, blackberries, highbush blueberries, red/black raspberries, grapes, brassica leafy vegetables, onions, spinach and ornamental plants. All other crops have a minimum 12 hour REI. | Acceptable for continued registration for sale and use | Phase out all uses over 3 years | | |
| Horticultural Uses Proposed to be Impacted (*final decision) | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • Apples, ginseng, red/black raspberries, blackberries, cranberry, grapes, strawberries, lettuce, GH lettuce (in BC), spinach, onions, brassica head and stem vegetables, brassica leafy vegetables, GH brassica head and stem transplants, GH brassica leafy green transplants, kohlrabi, rutabaga, Belgian endive, highbush blueberries | <ul style="list-style-type: none"> • Greenhouse: Peppers, tomatoes, cucumbers, vegetable transplants, strawberry, letter, fruiting vegetables, cucurbit vegetables. • Field: hops, ginseng, strawberry, lettuce, fruiting vegetables, cucurbit vegetables, peas, beans | <ul style="list-style-type: none"> • Stone fruit, Grape, Strawberry, melons, pumpkin, winter squash, head and leaf lettuce | <ul style="list-style-type: none"> • Apples, crabapples, grapes, strawberries, cranberries, cucumbers, melons, pumpkin, squash, tomatoes | <ul style="list-style-type: none"> • Greenhouse: cucumber, tomato, pepper |

HERBICIDE / PLANT GROWTH REGULATORS

| Active Ingredient | Linuron Group-7 | Ethephon | (z,z)-3,13-Octadecadienyl Acetate | Fomesafen Group 14 | Linuron Group 7 |
|---|---|--|--|---|---|
| Trade Name | LOROX Herbicide | ETHREL Plant Growth Regulator | ISOMATE Mating disruptor | REFLEX Herbicide | LOROX Herbicide |
| Consultation Status | Sept 24, 2012 Response Submitted Pending Final Decision Dec 2019 | Dec 2017 PRVD2018-01 Due: April 26, 2018 | Feb 2018 | March 2018 | Special Review March 2018 |
| Proposed Decision Impacting Horticulture | Cancel all uses | Risk mitigation: Cancellation of uses on apple tree when fruit are present. Revocation of MRLS of apple, apple juice, citrus fruit, grape, raisin. Additional PPR and restricted amount handled/day. Lengthened REIs for some post application activities. Buffer zones, hazard statements on labels, vegetative strips, and BMPs. | | | |
| Horticultural Uses Impacted (*final decision) | <ul style="list-style-type: none"> • Asparagus • Carrots • Caraway • Celery • Coriander • Dill • Parsnip • Potato • Apple • Peach • Pear • Plum • Cherry • Saskatoon Sweet Corn | <ul style="list-style-type: none"> • Tomato, apple, blueberry, cherry | <ul style="list-style-type: none"> • pome fruit, stone fruit, tree nut, highbush blueberry, stone fruit | <ul style="list-style-type: none"> • Beans, peas, cucumber, potatoes, strawberries (perennial) | <ul style="list-style-type: none"> • Potato, parsnip, carrots, asparagus, fruit trees, Saskatoon berries |

INSECTICIDES

| Active Ingredient | Cypermethrin Group-3 | Imidacloprid Group-4 | Lambda-cyhalothrin Group-3 | Phosmet Group 1B | Permethrin Group 3A |
|--|---|--|---|--|---|
| Trade Name | RIPCORD Insecticide | ADMIRE Insecticide | MATADOR Insecticide | IMIDAN Insecticide | AMBUSH, POUNCE Insecticide |
| Consultation Status | Aug 30, 2016 Response Submitted Pending Final Decision Sep 2018 | Nov 23, 2016 Response Submitted Pending Final Decision Dec 2018 | Jun 23, 2017 Response Submitted Pending Final Decision Mar 2019 | June 30, 2017 Respond submitted Pending Final Decision December 2018 | PRVD2017-18 Response Submitted Pending Final Decision June 2019 |
| Proposed Decision Impacting Horticulture | Decrease no. of applications for some uses and large buffer zones | Cancel all Agricultural Uses | Cancel all Agricultural Uses | Cancel all Uses | Cancellation of use on mushrooms and certain application types. Risk Reduction Methods: 60-day plant-back interval for all non-registered agricultural food/feed crops, minimum REI of 12 hours, reduced number of applications on tomato (6 to 5), additional PPE, restricted application during crop blooming, label directions to minimize spray drift, spray buffer zones, introduction of mandatory vegetative filter strips. |
| Horticultural Uses Proposed to be Impacted (*final decision) | | <ul style="list-style-type: none"> • Potatoes, Root Veg (1-B) • Tuberous and Corm 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 | <ul style="list-style-type: none"> • Apple • Peach/Nectarine • Strawberry • Potato • Tomato • Corn (sweet) • Bulb Vegetables • Lettuce (head, leaf) • Choke Cherry • Brassica Leafy Vegetables (5A) • Celery • Legume Vegetables (6) • Asparagus (ferns) • GH Lettuce • Sweet Potato • Carrot • Saskatoon Berry • Cucurbit Vegetables (9) | <ul style="list-style-type: none"> • Apple* • Blueberry* • Carrot • Celery • Cherry (Sour)* • Cranberry • Grape* • Pear* • Peach* • Plum* • Potato • *controls Spotted Wing Drosophila | <ul style="list-style-type: none"> • Asparagus, beets, carrots, cole crops (cabbage, cauliflower, broccoli, brussels sprouts), lentils, lettuce, onions, peas, peppers, potatoes, Chinese broccoli, sweet corn, GH cucumber, ginseng, mushroom, pak-choi Chinese cabbage, radish, horseradish, snap beans, tomatoes (GH and field), turnip, apple, blueberries (vegetative year only), pear (eastern Canada, BC), peaches, nectarines, plums, grapes |

INSECTICIDES

| Active Ingredient | Dichlorvos Group 1B | Clothianidin (pollinators) Group 4A | Thiamethoxam (pollinators) Group 4A | Dichlorvos Group 1B | Chlorpyrifos Group 1B |
|--|---|--|---|--|--|
| Trade Name | DDVP Insecticide | CLUTCH Insecticide | CRUISER, ACTARA Insecticide | DDVP Insecticide | DURSBAN, LORSBAN Insecticide |
| Consultation Status | PRVD2017-16 Response Submitted Pending Final Decision Due: Sept 2019 | PRVD2017-23 PRD2017-17 Proposed decision Due: March 19 | PRVD2017-24 PRD2017-18 Proposed decision Due: March 19 | Special Review REV2018-01 Due: March 5, 2018 | March 2018 |
| Proposed Decision Impacting Horticulture | Phase out all greenhouse uses | Phase out foliar application to orchard trees and strawberries Reduce max number of foliar application to cucurbit vegetables to 1x/season | Phase out foliar and soil application to ornamentals Phase out soil application to berries, cucurbits, fruiting vegetables Phase out foliar application to orchard trees. No foliar sprays before/ during bloom on: legumes, outdoor fruiting vegetables, berries | No unacceptable risks to human health and the environment, taking into account the implementation of the proposed conditions of use from PRVD2017-16 | |
| Horticultural Uses Proposed to be Impacted (*final decision) | <ul style="list-style-type: none"> Greenhouse cucumbers & tomatoes | <ul style="list-style-type: none"> Potato (Nipsit seed piece treatment), Sweet potato, pome fruit, grape, strawberry, cucurbit vegetables, stone fruit | <ul style="list-style-type: none"> Sweet corn, beans, peas, cucurbit vegetables, potatoes, leafy vegetables (group 4), brassica vegetables (group 5), fruiting vegetables (group 8-09), apples, crabapples, pear, oriental pear, root vegetables, cane berries, bushberries, cherries, low growing berries, field pepper, GH peppers | <ul style="list-style-type: none"> Greenhouse cucumbers & tomatoes | <ul style="list-style-type: none"> Strawberry, celery, cucumber, pepper (green), pak choi, broccoli, brussels sprout, cabbage, cauliflower, Chinese cabbage, garlic, rutabaga, potato, onion, carrot, Asian radish, radish, Chinese broccoli, green onion, sweet corn, shallots |



INSECTICIDES

| | | | |
|--|---|--|---|
| Active Ingredient | Naled Group 1B | Clothianidin (Aquatic Invertebrates) Group 4A | Thiamethoxam (Aquatic Invertebrates) Group 4A |
| Trade Name | DIBROM Insecticide | CLUTCH Insecticide | CRUISER, ACTARA Insecticide |
| Consultation Status | Special Review March 2018 | Special Review June 2018 | Special Review June 2108 |
| Proposed Decision Impacting Horticulture | | | |
| Horticultural Uses Proposed to be Impacted (*final decision) | <ul style="list-style-type: none"> • Beans, peas, broccoli, brussels sprouts, cabbage, cauliflower, lettuce, potato, tomato, strawberry, ornamentals, onion, GH tomato, GH cucumber, GH roses and cut flowers, GH eggplant, GH peppers | <ul style="list-style-type: none"> • Potato (Nipsit seed piece treatment), • Sweet potato, pome fruit, grape, strawberry, cucurbit vegetables, stone fruit | <ul style="list-style-type: none"> • Sweet corn, beans, peas, cucurbit vegetables, potatoes, leafy vegetables (group 4), brassica vegetables (group 5), fruiting vegetables (group 8-09), apples, crabapples, pear, oriental pear, root vegetables, cane berries, bushberries, cherries, low growing berries, field pepper, GH peppers |





From left to right:
Lawrence MacAulay, Minister of Agriculture and Agri-Food, with Rebecca Lee, CHC Executive Director, Charles Stevens, Chair of CHC's Crop Protection Advisory Committee (CPAC), and Craig Hunter, Member of CPAC.



Bob Mitchell, owner of SunTech greenhouses, describes the use of disinfectants to cleanse the greenhouse after the growing season.



A participant takes notes during the CHC crop protection information tour.



Labour

Labour has a major impact on Canadian fruit and vegetable production. Without an adequate workforce to grow and harvest it, produce rots in the field, on the tree, or on the vine, resulting in waste and financial loss.

Canadian growers search for workers domestically first. When they are unable to find enough Canadian workers, they access the Temporary Foreign Worker Program (TFWP) and the Seasonal Agricultural Worker Program (SAWP). As challenges arise in the use of these programs, the Canadian Horticultural Council (CHC) works with various government departments, including Immigration, Refugees and Citizenship Canada, Employment and Social Development Canada (ESDC), and Agriculture and Agri-Food Canada (AAFC), to remove or lessen obstacles.

Murray Porteous
and crew.

Photo courtesy of
The Grower
(www.thegrower.org)

Primary Agricultural Review

ESDC is working with AAFC on a three-stage review of the Primary Agriculture Stream of the TFWP. The review also includes the SAWP. In November 2017, CHC submitted recommendations including expanding the definitions of “primary agriculture” and “farm” to ensure all agricultural operations have access to these programs; implementing a Trusted Employer Program; and reviewing the Integrity Audit process, among other recommendations. CHC continues to be very involved as the review process continues.

Fall Harvest 2017

In November 2017, CHC and many of its members lobbied the federal government during meetings with Members of Parliament and Senators. These meetings were an important opportunity for growers to discuss labour issues in real terms with Canada’s lawmakers. Thanks to these meetings, over 50 parliamentarians gained a better understanding of Canada’s international farm worker programs, and several, including Lawrence MacAulay, Minister of Agriculture and Agri-Food, indicated they would become more actively engaged in helping to resolve our outstanding issues on this file.

The meetings were held as part of Fall Harvest 2017, which was an intensive advocacy effort on Parliament Hill co-organized with the Canadian Produce Marketing Association (CPMA).

Partnership with CAHRC

CHC formalized a partnership agreement with the Canadian Agricultural Human Resource Council (CAHRC) that has enabled us to improve our lobbying efforts. CAHRC, as an independent research organization, supplies us with data and background information to support our positions, and has helped open doors and to facilitate meetings. As a benefit of our partnership, each CHC Member Note also contains links to useful CAHRC resources.

ESDC Farm Tour

In August 2017, CHC and CAHRC organized a farm tour for ESDC, AAFC, and Immigration, Refugees and Citizenship Canada (IRCC). Government officials were able to observe the Seasonal Agricultural Workers Program (SAWP) in action on 12 different farms of their choosing.

Tour participants reported that there was no evidence of abuse of workers, unacceptable housing, denied health care or deprivation of human rights, contrary to what some activist groups believe.

Expedited application process

Based in part on successful lobbying by CHC, the Government of Canada is considering dropping the requirement to advertise a position for two weeks before workers can be transferred between farms. CHC has asked the government to go even further and drop the requirement when a worker needs to be replaced completely (for example, in the case of grave illness, or family emergency), which the government is also now considering.

Trusted employers program

Creating a Trusted Employer status would facilitate Labour Market Impact Assessments (LMIAs) and alleviate administrative burden. For growers, this would mean less paperwork, less stress, faster applications, and greater confidence in acquiring workers. For administrators, it would mean less time and fewer resources required to review and correct applications, allowing staff to focus on higher priority concerns.

The Parliamentary Finance Committee recommended a trusted employer program under SAWP for Budget 2018. CHC requested this model for both SAWP and TFWP Ag Stream. We are working on a model for both programs with CAHRC, the Canadian Federation of Agriculture and CPMA.

Integrity audits

Many fruit and vegetable growers who employ international farm workers were subject to risk-based integrity audits in 2017. This can be a very stressful experience for farm families and their business relationships, as the current audit process does not inform employers of the reason behind their audit, and jeopardizes their access to a reliable, timely source of labour for the coming year. CHC is working closely with those impacted by integrity audits to improve communications with government, and to advocate for consistent administration from Service Canada and ESDC officers.

LMIA backlogs

The administrators of labour organizations—FARMS (Ontario), FERME (Quebec) and WALI (B.C.)—are doing all they can to help the government move through the processing backlog of Labour Market Impact Assessments. CHC is working with senior officials to help set policy direction to improve how applications are handled. In the meantime, CHC continues to urge government to deal with the backlog of applications for international farm workers and express how severely the delays in worker arrivals impact farms. Minister MacAulay is personally engaged on our behalf to help correct these problems.

Labour awareness campaign

In response to mounting public pressure against international farm worker programs, CHC is developing an awareness campaign that will feature heartwarming stories of workers, their families, and the farmers who employ them. CHC has obtained the necessary funds from a network of sponsors across the country and has contracted a media company (Hyperactive) to produce the videos and develop the promotional campaign that will be rolled out in late summer 2018. We have conducted a kick-off meeting with our Labour Committee Executive and Hyperactive, and Hyperactive has drafted a scope document based on the kick-off meeting that explicitly defines the deliverables and marketing strategy.

LOOKING AHEAD

CHC is excited about the opportunity to make positive changes on the labour file in 2018. For the first time, we have access to—and the attention of—senior officials who can make decisions necessary to our cause. And for the first time, we are getting recognition from politicians that we have problems that need fixing. Most importantly, we have obtained a commitment from government that it will help to resolve the situation. All political parties are actively engaged in finding solutions, and CHC has been asked to provide recommendations on how to proceed.

Policy changes in the federal government are slow to materialize, but we now have the best opportunity in years to affect real change, thanks to the relationships we have developed with the right people—people who are willing to listen and have the authority to make good policy decisions.







Trade

As much as one might see fruit and vegetable production as something which takes place in a field or orchard, it is a business. And with over \$6 billion dollars of farm cash receipts in 2016, it is big business. In order to make sure that Canadian horticulture is profitable and competitive globally, CHC works with industry and government stakeholders to increase market access and facilitate trade.

North American Free Trade Agreement (NAFTA) discussions demanded the greatest amount of trade-related attention from CHC this year.

CHC also submitted comments under a potential free trade agreement with China, and we have communicated our position with regards to the Comprehensive and Progressive Agreement for Trans Pacific Partnership (CPTPP).

Along with the Comprehensive Economic and Trade Agreement (CETA) with Europe, which came into effect in 2017, CHC uses every opportunity, under all of these trade agreements, to advocate for the elimination of tariffs and non-tariff barriers that impact our industry, and for science-based regulator cooperation to ensure our industry can access new markets.

Transport trucks waiting at the border.

Photo courtesy of
The Grower
(www.thegrower.org)

Comments submitted to U.S. and Canadian governments

Based on meetings with members, other industry associations, trade negotiators, and trade officials in Canada and the U.S., CHC submitted comments to the U.S. Trade Representative, Global Affairs Canada, and Agriculture and Agri-Food Canada (AAFC), ensuring Canada's horticultural sector is represented in the NAFTA discussions.

Meetings with MPs and Senators

CHC included key trade-related talking points in its discussions with MPs and Senators during Fall Harvest 2017, which was an intensive advocacy effort co-organized with the Canadian Produce Marketing Association.

Round table discussions and conference calls with trade representatives

CHC participated in numerous in-person discussions and conference calls with Canada's trade representatives and other national associations. These discussions were important because they allowed us—the voice of Canadian fruit and vegetable growers—to be heard at the highest levels of trade negotiations.

Presence at official trade talks

CHC attended official rounds of NAFTA negotiations in Mexico, the U.S. and Canada. Our presence at these meetings gave a clear indication to trade negotiators, officials and news media that the future of NAFTA is critically important to Canada's horticultural sector.

Presentations before Parliamentary Committees

CHC testified before several parliamentary committees, including the Standing Senate Committee on Foreign Affairs and International Trade, and the Parliamentary Standing Committee on Agriculture and Agri-Food. In these presentations, CHC highlighted the impact of non-tariff barriers, such as maximum residue limits (MRLs) and phytosanitary import requirements that are not harmonised, on our sector's ability to conduct international trade.

Collaboration with counterparts to show industry alignment

Throughout the NAFTA re-negotiations, CHC has been working with its agricultural counterparts nationally and across the U.S. and Mexico to show that our industry is aligned on key issues.

LOOKING AHEAD

CHC continues to push for market access, the lowering of tariffs for Canada's horticulture exports, and the removal of non-tariff trade barriers with our current and potential trading partners. As CPTPP takes shape and NAFTA re-negotiations come to a close, CHC will continue to be an active and ever-present supporter of Canada's horticultural trade interests.

Rebecca Lee and Ken Forth appeared before the House of Commons Standing Committee on Agriculture and Agri-Food to address non-tariff barriers.





Energy and the Environment

While fruit and vegetable growers are committed to environmentally friendly production practices, they are also dependent on favourable energy costs and a stable, supportive tax regime to remain competitive and stay in business.

CHC supports a low-carbon economy and promotes environmentally sustainable production practices. We have also been working to ensure the federal government understands the impact of carbon pricing on our industry's competitiveness and potential for growth, especially with regard to the greenhouse sector.

Climate change and carbon pricing

CHC testified before the Standing Senate Committee on Agriculture and Forestry regarding the potential impact of climate change on Canada's horticultural sector, and appeared before the House of Commons Standing Committee on Agriculture and Agri-Food regarding its study of climate change and water and soil conservation. The Senate Committee presentation was particularly well-received, igniting further discussion.

CHC also responded to the federal government's Technical Paper on the Federal Carbon Pricing Backstop, as well as to changes to the Greenhouse Gas Emissions Reporting program. CHC continues to request an exemption for all fuels used in agriculture, in recognition of the innovative ways that growers contribute to reducing the carbon footprint and supporting food security.

Meetings with MPs and senior government representatives

Inconsistent carbon pricing policies have created regional competitive disparities within Canada. CHC met with AAFC Minister Lawrence MacAulay and senior staff at Environment Canada, among others, to talk about these inconsistencies, and to request an exemption for all fuels used in agriculture. The federal government must show leadership in creating a harmonized carbon pricing policy.

Government submissions

CHC has repeatedly communicated its position with regards to Canada's inconsistent carbon pricing policies. This topic was included in our submission on the National Food Policy, Pre-Budget 2018 consultations, and NAFTA.

LOOKING AHEAD

CHC resists the concept of a carbon price without a formal plan to demonstrate how funds collected will address the challenges faced by growers in mitigating and adapting to a changing climate. We will continue to urge government to consider the competitiveness of farmers as a priority when implementing its policy, and we will continue to advocate for innovative research that will help farmers adapt to climate change.





Industry Standards and Food Safety

Health professionals recommend a diet that is high in fruits and vegetables. In order to ensure readily available, healthy and fresh produce of the highest quality, CHC works with industry and government departments on issues affecting plant health and food safety.

A Food Policy for Canada

A Food Policy for Canada, which the government is still in the process of developing, is intended as a long-term vision for the health, environmental, social, and economic goals of the country. CHC participated in consultations organized by the government and submitted comments on behalf of its members. CHC also appeared as a witness before the House of Commons Standing Committee on Agriculture and Agri-Food regarding its study of the policy, and made the Food Policy a key talking point during its Fall Harvest 2017 meetings with over 50 parliamentarians, which it co-organized with the Canadian Produce Marketing Association.

Throughout these discussions, submissions and presentations, CHC has advocated for increasing Canadian fruit and vegetable consumption by an extra serving a day, improving accessibility to quality fruits and vegetables for all Canadians, and has urged the government to establish a national healthy food school program.

Canada's Healthy Eating Strategy

Canada's Healthy Eating Strategy includes restrictions on marketing of unhealthy food to children and proposed changes to Canada's Food Guide. CHC submitted comments on behalf of members, urging the government to increase the suggested intake of all fruits and vegetables, to ensure our members would not be impacted by the changes to marketing rules. Specifically, potatoes in the form of French fries may be considered unhealthy under the strategy, and CHC is working with research organizations to ensure the government is aware of the nutritional benefits of potatoes, including French fries. CHC continues to meet with Health Canada and is closely following the development of the strategy, ensuring industry expertise and research is valued and recognized.

Safe Food for Canadians Regulations

CHC submitted comments in response to the *Safe Food for Canadians Regulations Act* and the Canadian Food Inspection Agency is now reviewing the submissions. The regulations will likely be published in the Canada Gazette II in Spring 2018. Aspects of the regulations could come into force immediately, including traceability for produce.

CFIA Cost Recovery Initiative

There is a worry that CFIA's new cost recovery measures are going to dig deeper into growers' pockets, despite the services in question being for the public good. CHC believes that the government should be paying for these services, not individual growers who already face increasing production costs. CHC conveyed this message in a response back to government and continues to bring it up in meetings.

LOOKING AHEAD

CHC continues to monitor the development of A Food Policy for Canada, the government's Healthy Eating Strategy, and other Health Canada initiatives as they pertain to fruit and vegetable growers. CHC will ensure its members are informed of any regulatory changes from Health Canada that might impact them.



Sector Support

There are over 120 different horticultural crops grown in Canada – from apples to zucchinis, from British Columbia to Newfoundland. The Canadian Horticultural Council (CHC) has established committees that focus on specific issues pertaining to large-scale commodity industries, such as apples and fruit (including berries and grapes), potatoes, field vegetables, and the greenhouse vegetable sector.

These committees meet annually at CHC's Annual General Meeting, and their respective working groups meet regularly throughout the year to discuss specific issues within designated commodity areas. Thanks in part to the efforts of these committees and working groups, CHC is able to meet the needs of its members and their growers in a comprehensive and cohesive manner, speaking with one strong voice.





Apples

Apples are the second most valuable fruit crop after blueberries and the most significant fruit crop in Canada in terms of tonnage. To support the continued success of this sector, CHC and its Apple Working Group undertook the following activities in 2017.

HS code for Honeycrisp

CHC successfully worked with AAFC to establish a new HS code for Honeycrisp apples. The HS code will allow the sector to better monitor trade in this variety—which is important as Canadian farmers have invested heavily in it.

National Tree Fruit Investment Program

Following up on its proposal for a National Tree Fruit Investment Program, CHC met with several MPs and policy representatives across relevant departments to try to encourage government participation in the proposed program, and received generally positive responses. Since these meetings, CHC has also advocated for the program in various consultations to government, including in its submission for Budget 2018.

The industry is requesting funding to help offset interest that growers must pay in the first five years borrowing from private investments. These investments would go towards the modernization of farm operations and packing infrastructure, the development of modern tree orchards, and towards planting and renewal of acreage. CHC continues to advocate to government for the necessary funding to move the program forward.

Mid-summer apple meeting and orchard tour

Quebec's apple producers hosted CHC's annual apple meeting and orchard tour, which took place in and around the Mont Tremblant area in the Laurentians. Participants learned about sexual confusion in apples, new techniques, technologies, and handling concepts, and current issues in apple farming. The group stopped at Cataphard Orchards, Marc Vincent Warehouse, Coeur de Pomme Orchard, and Rochon et Frères Farm.

Apple breeding

CHC joined organizations across Canada in signing a letter of understanding agreeing to share research efforts on apple genetics and breeding. Amritpal Singh filled the full-time apple and cherry breeder position at the AAFC Research Station Summerland. We are grateful to AAFC for continuing to fund this vital position.

LOOKING AHEAD

With no shortage of issues to work on in apples, CHC and its Apple Working Group will continue to advocate for the National Tree Fruit Investment Program, access to effective crop protection tools, and other apple-specific issues as they arise.

Apple tour

photo by
Producteurs de pommes du Québec





Berry

The Canadian berry industry continues to face challenges with regards to exports, due to tariffs and maximum residue limits, and continues to seek resolutions by working closely with CHC's Crop Protection Advisory Committee on minor use chemistries, emergency registration, and other important projects, such as invasive species.

Chinese tariffs

CHC continues to push for the removal of tariffs for blueberries exported to China. In June 2017, we submitted comments on a potential free trade agreement with China, advocating for the elimination of tariffs on all fruits and vegetables with reference to related HS codes.

Trade negotiations

CHC and its Berry Working Group have been monitoring trade negotiations, such as NAFTA and CPTPP, and will continue to do so in order to determine how the developments may impact the berry sector.

Crop protection

CHC is actively monitoring 16 different PMRA re-evaluations of crop protection products related to berries. Of these, in 2017, we submitted comments on Lambda-cyhalothrin (Matador), Phosmet (Imidan), Permethrin (Pounce), and Quinoxifen (Quintec).

National research strategy

CHC worked with its Berry Working Group to develop its very first national research and innovation strategy for the berry sector. For more information on priority topics within this sector, please see page 46.

LOOKING AHEAD

CHC's Berry Working Group, whose scope was increased last year to include all berries, is well-represented across the country and is poised for increased collaboration and more effective government lobbying in the year ahead.





Greenhouse

CHC and its Greenhouse Vegetable Working Group undertook the following activities in 2017, in support of the continued success of Canada's greenhouse sector.

National strategy for research and innovation for the greenhouse vegetable sector

The start of 2017 saw the very first National Research and Innovation Strategy for greenhouse vegetables. The key priority areas, strategic outcomes, and investment priorities were aligned within six greenhouse projects worth \$3.8 million in the recent CHC-led Canadian Agricultural Partnership Fruit & Vegetable Cluster application. For more information, see our Research section on page 46.

PMRA re-evaluations

CHC and its members have been active in this year's re-evaluation of imidacloprid and special reviews of clothianidin and thiamethoxam. We also participated in AAFC's neonicotinoids stakeholder forum and working groups. As part of this process, the Ontario Greenhouse Vegetable Growers submitted an *Imidacloprid Mitigation Strategy* to the PMRA in October 2017. CHC endorsed the submission, and will continue to develop a national strategy that can be implemented while taking into account key regional considerations.

Greenhouse sector responses were also submitted to the PMRA on lambda-cyhalothrin and dichlorvos re-evaluations. Our submissions demonstrated actual use, critical need, and potential mitigation measures for the PMRA to consider in its final decisions.

Advocacy meetings

In September 2017, CHC organized numerous meetings over two days to communicate the greenhouse vegetable sector's key messages to government. We met with AAFC Minister Lawrence MacAulay, several MPs, and senior staff from Environment Canada. We also appeared before the parliamentary standing Committee on Agriculture and Agri-Food to discuss *A Food Policy for Canada*. These activities helped the greenhouse sector to build stronger

relationships with key decision makers and supported the momentum of our requests to government.

NAFTA

The renegotiation of NAFTA has the industry on high alert regarding U.S. objectives to introduce a separate trade remedy on seasonal produce, and the potential for major market disruption and/or dumping of Mexican tomatoes. The position taken by some politically-connected, regional groups does not necessarily align with industry leaders. CHC and its members ignited important, on-going dialogue with Martin Moen, Director General of North American Investment at Global Affairs Canada, to discuss Canada's trade position.

Carbon pricing

Key messages and leave-behind materials developed in 2017 have raised awareness on why carbon pricing policies have a disproportionately large impact on the competitiveness of the greenhouse sector. CHC is taking every opportunity to demonstrate and explain how a national, unified relief program would minimize regional disparity seen in current pricing

models and support the Government of Canada's goals related to agricultural trade, environmental stewardship, and the new Food Policy.

Greenhouse Biosecurity

Following up on the *National Voluntary Farm-Level Biosecurity Standard for the Greenhouse, Nursery and Floriculture Sectors* published in January 2017, the *Greenhouse Vegetable Sector Biosecurity Guide* was made available in March 2017. It was developed in collaboration with the CFIA to assist growers in making site-specific plans that achieve the pest risk mitigation goals specified in the standard.

In June 2017, CHC greenhouse representatives participated in a Plant and Animal Health Strategy (PAHS) Working Group, which developed a project to encourage uptake of the biosecurity guide. This project was subsequently endorsed by Canadian federal, provincial and territorial agricultural ministers.

Organics

The greenhouse amendments to the 2015 Canadian Organic Standards are expected to be published in early 2018.

LOOKING AHEAD

CHC and its Greenhouse Vegetable Working Group look forward to advancing research priorities, advocating for continued access to effective crop protection tools, building stronger relationships with key stakeholders within government, and developing new collaborations and tools to enable the collection and sharing of knowledge.



Potato

The Canadian Potato Council (CPC) is an elected subset of CHC's Potato Committee whose activities are supported by CHC provincial potato organizations. CHC and the CPC undertook the following activities in 2017 in support of Canada's potato sector.

CFIA Cost Recovery

The CPC continued to develop information on the impact of increased cost recovery fees on the economic viability of the potato sector in Canada.

Wireworm Control

The CPC submitted a science-based response to the PMRA addressing the five criteria for a Critical Need under the Toxic Substances Management Policy associated with the registration of bifenthrin in potatoes for wireworm control. In December 2017, the PMRA accepted this rationale and extended the registration of bifenthrin for wireworm control in potatoes as a Critical Need until the end of 2020, in order to allow for the further development of an integrated approach to wireworm management.

PMRA re-evaluations

The CPC participated in the AAFC Stakeholder Forum on Neonicotinoids Working Groups (Alternatives, Mitigation and Environmental Monitoring) leading to the submission of new information to the PMRA in October 2017. The CPC monitors proposed decisions and responds to those that impact the potato sector.

CPC/CFIA collaborative initiatives

The CPC collaborated with the CFIA to amend policy on seed production of garden potato varieties and to address non-registered potato varieties. Canadian growers proposed the revision of Canada-U.S. Potato Cyst Nematode Guidelines based on historical data that indicated that the pest is not found outside of heavily regulated areas. The guidelines are important as they establish the bilateral trade requirements for seed lot testing.

NAFTA

The CPC responded to the government consultation on NAFTA and expressed support for its continuation, as the highly integrated potato processing sector in North America greatly benefits both Canadian and U.S. growers.

Ongoing Projects

Potatoes Canada, which is a collaboration of the PEI Potato Board, Potatoes New Brunswick and the Potato Growers of Alberta, continued activities related to export market development of seed and fresh potatoes by attending tradeshows, and supporting exporters through market access activities under the AAFC AgriMarketing2 program.

AAFC AgriInnovation Program research on Late Blight continued and a new project on Colorado Potato Beetle was initiated.

LOOKING AHEAD

The impact of revised CFIA cost recovery fees on the well-being of the potato sector will continue to be a CPC priority with expected Phase II Consultation in the spring of 2018. An assessment of economic impact of CFIA inspection fees will be completed in March 2018 for submission to the consultation.

PMRA final re-evaluation decisions, particularly those for Group-M fungicides, will be published in 2018 and potentially will have a significant impact on the potato sector. Depending on the outcome of those decisions, strategies to manage pests with the loss of important active ingredients may be critical. Responding to PMRA proposed re-evaluation decisions as they are published will remain a high priority for decisions impacting the potato sector.

Requirements for accessing new markets, and for maintaining access to existing markets, will also remain a priority throughout the next year, as will seeking replacement funding for the expiring Agrimarketing2 program.



Vegetable

The 2017 season was generally positive, with average yields, and good exported volume, despite many regions experiencing a combination of drought, floods, and hail. In the Maritimes, wireworm also caused a lot of damage to crops and destroyed numerous fields.



Innovation and research fund

CHC met on two separate occasions with AAFC regarding our proposed innovation and research fund. Despite the fact that AAFC has been in favor of the project, the department is worried that regional differences might create undue complications. Since the province of Quebec is in support of implementing the fund, AAFC suggests that the project be adopted by Quebec producers in order to make it a success story that would subsequently encourage other regions to adopt the project.

National strategy for research and innovation in vegetables

CHC's Vegetable Working Group adopted its very first national research and innovation strategy. The group conducted an analysis of the sector's strengths, opportunities, weaknesses, and threats, and has identified five research priorities. Some of these will be addressed in the application for funding under the new Canadian Agricultural Partnership. Please see page 46 for more information.

PMRA re-evaluations

In 2017, the PMRA proposed the de-registration or reduced use of four crop protection products that will have a major impact on the field vegetable sector: lambda-cyhalothrin (Matador), phosmet (Imidan), clothianidin (Clutch), and thiamethoxam (Actara). CHC has submitted comments to the PMRA describing the negative consequences these decisions would have on Canadian horticulture. We participated in various working groups regarding the re-evaluation of imidacloprid, a neonicotinoid essential to the production of many field vegetables. For more information on CHC's crop protection activities, see page 12.

LOOKING AHEAD

CHC and its Vegetable Working Group will continue to advocate on issues pertaining to Canada's field vegetable industry, encouraging government to adopt better financial security and risk reduction programs adapted to our reality.



A close-up photograph of a person wearing a white lab coat, holding a green tomato plant stem with several leaves. The background is a blurred greenhouse filled with more tomato plants and green tomatoes. The overall scene is bright and focused on horticultural research.

Research

CHC supports Canadian horticulture by managing funding applications and subsequent research projects that address top priorities in the fruit and vegetable sector.



Cluster 2

Between 2013 and 2018, CHC oversaw 10 research projects that brought together expertise from academia, industry and government to address key challenges in the apple and potato industries. The projects and related funding were part of the Canadian Agri-Science Cluster for Horticulture 2 (referred to as “Cluster 2”), which fell under the AgriInnovation Programme of AAFC’s Growing Forward 2 policy framework.

In addition to an investment of \$6.8 million by the federal government, nearly 50 CHC industry partners contributed funds of \$2.8 million in support of research focused on reducing crop input costs while improving marketable yield and margins.

As Cluster 2 comes to an end, CHC will be posting final reports to its website under “Projects and Programs”.

Additional research projects for potato sector

Concurrent to Cluster 2, CHC also managed the following industry-led research projects for the potato sector under a separate AgriInnovation funding envelope:

Ongoing Characterization and Tracking of Strains of Potato Late Blight Pathogen in Canada:

- Three-year project (2015-2018)
- Total budget: \$210,000
- AAFC funding: \$105,000
- Funding from provincial grower organizations: \$105,000

Survey of Susceptibility to Insecticides in Canadian Colorado Potato Beetle Populations

- One-year project (2017-2018)
- Total budget: \$17,400
- AAFC funding: \$8,700
- Funding from industry: \$8,700

Growing Forward 



Agriculture and
Agri-Food Canada

Agriculture et
Agroalimentaire Canada

Cluster 3

In 2017, the government announced its new policy framework for the next five years, called the Canadian Agricultural Partnership, for which CHC has collaborated with Canadian commodity sectors to submit new project proposals under “Cluster 3”.

In late 2016 and early 2017, CHC undertook the task of developing national research and innovation strategies for the apple, berry, greenhouse, and vegetable sectors, and updated the 2012 Potato Strategy. With the help of its members, CHC identified the following priority areas under the national research and innovation strategies for each commodity group, with an overall enabling strategy to collect, translate and transfer knowledge.

| Apple | Berry | Greenhouse | Vegetable | Potato |
|--|----------------------------|-----------------------|--|--|
| Maximizing Quality & Minimizing Losses | Integrated Pest Management | Pest Management | Optimize Production Practices | Creating Potato Varieties for Canada |
| Technology, Mechanization, Automation & Efficiencies | Cultivar Development | Labour | Improve Pest & Disease Management Practices | Soil Health and Fertility |
| Sustainable Practices | Product-Market Development | Energy and Efficiency | Optimize Post-Harvest & Storage Practices | Precision Agriculture, New Technology, and Data Driven Agriculture |
| Variety & Rootstock Development & Evaluation | Health Research | Production Outcomes | Plant Breeding, Variety Development & Evaluation | Seed Quality and Physiology |
| Broad Marketing Strategy | Production | Consumer Preferences | Research on the Health Benefits of Vegetables | Pest and Disease |
| | | | | Water Management |
| | | | | Storage and Post-Harvest Physiology |

In February 2017, CHC issued broad calls for expressions of interest (EOIs) to researchers and research institutions to conduct research in the priority areas it had identified. Over 200 EOIs were received in response. CHC commodity groups reviewed proposals in spring 2017 and identified those projects that most closely aligned with their research priorities. Researchers associated with those projects were subsequently requested to submit full proposals and, where there appeared to be overlap between projects, they were requested to submit joint collaborative proposals.

CHC received proposals for a total of 33 research projects. As a result of the ensuing peer review, and in consideration of commodity group funding availability and priorities, CHC recently submitted two applications to Agriculture and Agri-Food Canada's Agri-Science Program (Clusters Component): **16** research projects under Cluster 3 - Fruit and Vegetable (F&V), and **12** research projects under Cluster 3 - Potato. Activities in both clusters cover a range of topics, including pest management, production management and agronomy, variety evaluation, labour, and environment and climate change.

| Cluster 3 - F&V: | Cluster 3 - Potato: |
|---|---------------------|
| TOTAL ANTICIPATED BUDGET | |
| \$16,945,558 | \$15,781,322 |
| ANTICIPATED AAFC CONTRIBUTION | |
| \$11,817,691 | \$10,873,279 |
| INDUSTRY/OTHER GOVERNMENT CONTRIBUTION | |
| \$5,127,867 | \$4,643,779 |
| PROJECTS | |
| 16 | 12 |
| RESEARCH INSTITUTIONS | |
| 27 | 32 |
| RESEARCHERS | |
| 50 | 57 |
| INDUSTRY CONTRIBUTORS | |
| 64 | 52 |



Outreach and Communications

CHC's communications service strives to keep members informed of the organization's activities and important issues in Canadian horticulture. In addition, communication activities aim to enhance CHC's brand and support advocacy efforts by clearly articulating CHC's position on priority issues using a range of tools and strategic initiatives.

Updated branding

Communication products (ex. Member Notes, HortShorts, Activity Logs) have been updated to reflect a more modern and consistent design. In keeping with this initiative, CHC also updated its business cards to highlight that we are the *national* voice of Canadian fruit and vegetable growers. Strong self-identification and an eye-catching design are important as we attend over a hundred in-person meetings and events every year.



Member communications

CHC issued 64 Member Notes in 2017 that were opened over 35,000 times in total. Thank you to our members who consistently share our communications. The information we provide is only of value to growers if their associations do their part and recirculate our communications to them.

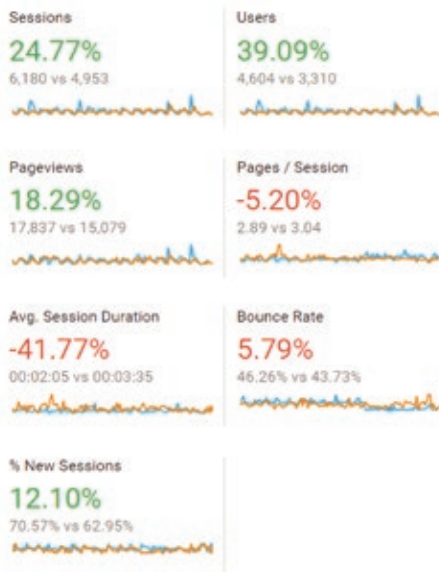
Our most impactful notes dealt with the neonicotinoids survey we conducted in January 2017, which was opened over 4,000 times, and the note we distributed about Finance Canada’s proposed tax changes last summer, which was opened nearly 2,000 times.



New website

Many people who read CHC email communications, such as Member Notes, go on to visit our website. The website is also where the majority of people first go to learn more about us and the issues we advocate for. To strengthen CHC’s position as “the voice of Canadian fruit and vegetable growers”, we redesigned our website in late summer, and the results have been extremely positive, with the new website attracting almost 40% more users than before. Users are also finding what they’re looking for faster, and are engaging in a more meaningful way with our content.

The website receives over 1,200 unique visitors every month. These are people from government, reporters, potential sponsors, industry partners, members, and other kinds of stakeholders. In fact, most of our users come from Ottawa—over 4,000 unique visitors from this city visited our site last year. Because we can assume that a high percentage of these visitors were from the federal government, as the users were located within the Nation’s Capital, it is clear that our website is critical to good advocacy.



Awareness campaign on international farm worker programs

CHC has been working with its Labour Executive to put together an awareness campaign on Canada's international farm worker programs.

We developed a request for proposals, assembled an evaluation team, selected a supplier, and launched a fundraising campaign that achieved its goal in December 2017. We've since moved into pre-production and plan to roll out the awareness campaign and launch the associated online videos by the end of summer 2018. Thanks again to all the sponsors who are supporting this campaign.

Media coverage

CHC received regular media coverage throughout the year. Major national newspapers and industry publications mentioned us, and we were frequently consulted by the media for research purposes. As CHC spokesperson on small business tax changes, our Chair of Business Risk Management, Mark Wales, was also featured many times on the radio, on TV and in print, and in national and regional broadcasts.

Letters to ministers and other VIPs

CHC sent out 18 official letters to Ministers, MPs and other key individuals in 2017. These letters served to brief targeted individuals on specific topics, to congratulate them on a recent appointment, and to request meetings, among other objectives.

Legacy Program

Based on feedback from sponsors, CHC is revitalising its Legacy Program to better demonstrate value and to reflect the current and future needs of the organization. CHC communications conducted the following activities in 2017 to promote the Program:

- Reached out to previous sponsors for feedback,
- Generated and distributed reports on the use of the Legacy Fund,
- Created a sponsorship package and web page that explain the value and benefit of participating,
- Designed a special issue of Fresh Thinking magazine around Legacy, with stories of young producers from across Canada and a story about the value of the Legacy Program itself.

Summer Tour

In July 2017, the CHC Board of Directors held its Summer Tour in Nova Scotia's Annapolis Valley. The day-long tour brought together industry stakeholders to explore and learn about various aspects of Canadian horticulture. Participants visited seven operations during their journey: Noggins Corner, den Haan Greenhouses, Lockett Vineyards, Scotian Gold, Sawler Gardens, Van Meekeren Farms, and Nova Agri. Thank you to our hosts and sponsors!

Fall Harvest advocacy meetings on Parliament Hill

In November 2017, CHC co-organized an intensive advocacy initiative on Parliament Hill alongside CPMA. Industry leaders representing both organizations met with over 50 Parliamentarians and civil servants to discuss key issues currently affecting the Canadian fresh fruit and vegetable sector, including a national health policy, labour, trade, and financial protection. Policy statements were compiled into an important leave-behind brochure that received significant attention by members of Parliament and their staff.







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