

OMAFRA Media - April 6, 2017

From: "Crowley, Christina (OMAFRA)" <christina.crowley@ontario.ca>
To: "@OPO-Media Relations and Issues Management" <opo-mediarelationsandissuesmgmt@msgov.gov.on.ca>
Cc: "@OMAFRA-All-Ministers-Office-Grenville" <omafra-all-ministers-office-grenville@omafra.gov.on.ca>
Date: Thu, 06 Apr 2017 17:26:44 -0400

Hi All,

Please see below for today's media summary.

Best,

Christina

Completed

Topic: Tomato Processing Negotiations
Outlet: Ontario Farmer – Jeffrey Carter
Type: MO Spokesperson
Response:

1. The two key staff members with the OPVG marketing board, John Mumford and Al Krueger, were dismissed along with the board. Why was this?

Please contact Mr. Elmer Buchanan, trustee of the Ontario Processing Vegetable Growers (OPVG).

2. Was the dismissal of the OPVG board of directors connected with an e-mail sent to the Premier's Office by a former board member?

There is no place in our society nor our agri-food sector for intolerant behavior towards others, but the actions taken were not in response to any one individual's comments or conduct. A critical impasse had been reached between growers, processors and the Ontario Farm Products Marketing Commission (OFPMC). The actions taken were to protect the economic well-being of farm families and processing jobs in the processing vegetable industry in Ontario and to protect the 2017 tomato crop, which we are pleased that a deal has been reached since, for the 2017 growing season. Please read Minister Leal's statement regarding processing tomato negotiations [here](#).

3. I see from postings on the OPVG website that tomato contracts have been arranged with the processors using the five-year Memorandum of Agreement signed by the OPVG and all tomatoes processors last spring. In light of this, why was it necessary to dismiss the board?

The Minister took action after being informed by all three parties, growers, processors and the OFPMC, that negotiations for the 2017 crop year had reached a critical impasse. Several of the largest tomato processors had walked away from negotiations and refused to participate further. We are pleased that Ontario's processing vegetable growers and processors worked together to reach negotiated agreements for the 2017 tomato-growing season. You can read statements about the negotiated agreements reached for the 2017 tomato-growing season from the Ontario Processing Vegetable Growers (OPVG) [here](#) or from the Ontario Fruit and Vegetable Processors' Association (OFVPA) [here](#).

4. Elmer Buchanan, appointed trustee of the OPVG, promised increased profitability for

growers and processors alike at the March 6 industry meeting in Chatham. Could comment, given that the contract signed has increased costs (higher plug plant pricing) and has reduced the "overall" grower price by about \$3.30 per ton due to contract changes?

Please contact Mr. Elmer Buchanan, trustee of the Ontario Processing Vegetable Growers (OPVG).

5. The contract has been signed however, tomato growers have yet to decide whether they will grow the crop this year and there have been indications that some will not do so. What steps will the government take if production volumes fall due to a lack of grower participation?

Ontario's processing vegetable growers and processors worked together to reach negotiated agreements for the 2017 tomato-growing season. We appreciate their hard work at the negotiating table to ensure an acceptable deal was reached for all parties involved. It is the responsibility of each grower to examine the negotiated agreements and determine whether or not they would like to enter contracts to supply processors, under the terms and conditions that have been negotiated. That said, these are individual business decisions and it is not appropriate for government to influence or judge those decisions.

6. Have other means to support the processing vegetable sector been considered, such as lower the cost of electricity for processors?

Electricity rates are an issue that we have heard about from rural residents, members of the agri-food community and small businesses. They want to know that substantial relief is on the way, that relief will go to everyone, and that it will be lasting. Recently, Premier Kathleen Wynne announced a plan to deliver on all three counts.

Every residential customer in Ontario will see their bill reduced by 25 per cent on average, and they will not increase by more than the rate of inflation for at least four years. Many farms and small businesses will also benefit from this initiative. Specifically, those living in rural communities will receive even greater reductions to their electricity bills through an expansion of the Rural or Remote Rate Protection (RRRP) program. These hydro rates are fairer for everyone and will help to lessen the burden felt by people living in rural communities, including our hardworking farmers, agri-food businesses and small businesses in Ontario.

In addition, funding initiatives like the federal and provincial [Growing Forward 2](#) program, the [Local Food Investment Fund through the Greenbelt Fund](#) and the [Food and Beverage Growth Fund](#), have each helped drive growth and innovation in the expanding agri-food sector. Through Growing Forward 2 alone, the governments of Ontario and Canada have committed over \$50 million to more than 960 processor-related projects and over \$48.5 million to 4,320 projects for producers since 2013.

These are just a few examples of how the government of Ontario is attracting and supporting jobs across the province, growing our economy and agri-food sector and helping Ontarians in their everyday lives.

7. What weight has been given to the Groenewegen report prepared early by the OPVG? In it, prices paid to growers of processing vegetables were described as already being competitive?

Please contact Mr. Elmer Buchanan, trustee of the Ontario Processing Vegetable Growers (OPVG).

8. Will the new Ontario Processing Vegetable Growers association that was formed through a grower vote on March 6 be part of future discussions concerning the future direction of the industry?

Under the Farm Products Marketing Act, the Ontario Processing Vegetable Growers' (OPVGV) is the only organization established by the Ontario government as regulating processing vegetable growers. Please contact the Ontario Farm Product Marketing Commission (OFPMC) for more information by contacting Magda Wolanowska at Magda.Wolanowska@ontario.ca.

9. Why was the board dismissed, given its high level of support among growers?

A critical impasse had been reached between growers, processors and the Ontario Farm Products

Marketing Commission (OFPMC). The actions taken were to protect the economic well-being of farm families and processing jobs in the processing vegetable industry in Ontario and to protect the 2017 tomato crop, which we are pleased that a deal has been reached since, for the 2017 growing season. Please read Minister Leal's statement regarding processing tomato negotiations [here](#).

10. Is the profitability of processing vegetable farm operations just as important as those of the vegetable processors to the future economic wellbeing of Ontario?

We are pleased that Ontario's processing vegetable growers and processors worked together to reach negotiated agreements for the 2017 tomato-growing season. You can read statements about the negotiated agreements reached for the 2017 tomato-growing season from the Ontario Processing Vegetable Growers (OPVG) [here](#) or from the Ontario Fruit and Vegetable Processors' Association (OFVPA) [here](#). We appreciate their hard work at the negotiating table to ensure an acceptable deal was reached for all parties involved. Both production and processing must be profitable in order for an industry to thrive and grow.

We look forward to continuing to follow this matter as all parties continue to discuss long-term solutions and fulfill the directive Minister Leal issued last August which required open engagement and consultation with interested parties and stakeholders. The work that has been done and continues to be done ensures we maintain regulated marketing in Ontario: ensures that high quality food is produced here in the province of Ontario for our consumers; that processing jobs are retained; and ultimately, that farmers, processors and consumers all benefit from the actions taken.

Topic: OPVGV Impasse - "Why was the course of action taken where you intervened? I understand that an impasse was reached between all parties involved but I also understand that it could have went to final arbitration as there is a process already in place to deal with impasses so why did government feel it was necessary to intervene when they did?"

Outlet: Farmers Forum – Connor Lynch

Type: MO Spokesperson

Response:

"Binding final offer arbitration is a mechanism that would normally be triggered in instances where negotiating panels have been unable to come to an agreement. However, the situation in the processing vegetable sector this year was unique. Minister Leal took action after being informed by all three parties – growers, processors and the OFPMC — that negotiations for the 2017 crop year had reached a critical impasse. Several of the largest tomato processors had walked away from negotiations and refused to participate any further.

In the absence of full negotiations, the arbitration process would not have been effective. The impasse came at a critical juncture and left the 2017 crop year in jeopardy. The actions taken were to protect the economic well-being of farm families and jobs in the processing vegetable industry in Ontario and to protect the 2017 tomato crop. We are pleased that a deal has since been reached for the 2017 growing season. Please read Minister Leal's statement regarding processing tomato negotiations [here](#). You can also read statements about the negotiated agreements reached for the 2017 tomato-growing season from the Ontario Processing Vegetable Growers (OPVG) [here](#) or from the Ontario Fruit and Vegetable Processors' Association (OFVPA) [here](#)."

Topic: Foodland 40th Anniversary Kick-Off event

Outlet: am800 Windsor – Patty Handysides

Type: Interview with Minister

Response:

[Transcript to come – very positive interview]

Christina Crowley-Arklie | Press Secretary & Senior Communications Advisor
Office of the Honourable Jeff Leal
Minister of Agriculture, Food and Rural Affairs
tel: 416-326-3069 | bb: 416-451-2577
email: christina.crowley@ontario.ca



Good Things Grow in Ontario