



Apple & Pear World News

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Australia

More \$'s need to be spent on marketing to keep up demand

Weekly Times, Victoria, 24 June 2009, p82

Agriculture strategist Dr David McKinna said that horticulture levies need to be pooled and spent on fruit and vegetable marketing and education campaigns to lift demand. He said that consumers want a product that tastes good and they need to be educated about product selection, storage, preparation, seasonality and origin. He said that fruit and vegetable sales in Australia are not matching population growth.

He said that horticulture marketing and promotion activities are handicapped by the current system with grower levies segregated by Horticulture Australia Ltd. He said that the latest annual report shows that in 2007/08 HAL spent \$63.8m on research and development, \$10.3m on marketing and \$9.8m on operating costs. The biggest spending on marketing was \$2.2m on macadamias, followed by \$2m on apples and pears. There was zero spending on marketing activities for 26 of the 44 industry groups.

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AHEA digs in against AQIS changes

Weekly Times, Victoria, 24 June 2009, p19

While animal industry groups have supported the introduction of new export fees, the Australian Horticultural Exporters Association said that the removal of the 40 per cent subsidy will hit horticulture harder than other larger export sectors.

Deputy chairman, David Minis, said that removing the government contribution from a service that exporters have to use by law, which is expensive, inefficient and unable to service the industry during peak periods is poor government policy. He said that horticulture had been 'effectively gagged' from speaking out because peak body Horticulture Australia Ltd received federal money which could not be used for agri-political purposes.

Agriculture Minister retains quarantine subsidy for now

Australian Financial Review, 24 June 2009, p9

Agriculture Minister Tony Burke will allow a \$40m subsidy of quarantine inspection fees to continue for up to 12 months after offering an olive branch to sectors most concerned about the effect of the removal of the subsidy on exports. The Coalition indicated in the Senate that it would block the fee rises and asked for the efficiency of quarantine inspection and certification processes to be improved.

Sales drop worries Harcourt apple growers

www.freshplaza.com , source: *abc.net.au*, 24 June 2009

Apple growers in Harcourt, south of Bendigo, are feeling the effects of a dramatic drop in sales this year. Victoria's fruit industry has begun a public awareness campaign on the benefits of apples in the light of predictions of a 30 per cent drop in sales this year.

The Harcourt and District Fruitgrowers Association president, Trevor Peeler, said that the sales drop is concerning. 'Certainly, the domestic market in Melbourne is suffering dramatically, which is where the bulk of our product goes. We are down at least 30 per cent out of Harcourt,' he said.

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Allergies on the rise

Weekly Times, 24 June 2009, p82

Bananas, kiwifruit top the list of rising levels of allergies to fruit and vegetables, with peppers, capsicums, celery, mustard, apples and pears also on the list, according to Anaphylaxis Australia (AA). AA president, Maria Said, said that researchers are trying to find the link between allergies to pollen and allergies to fruit and vegetables. The protein in these foods triggers the reaction and for some reason there is an increase in allergies to bananas and kiwifruit.

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Young chefs and waiters on finalists tour of culinary delights

Ballarat Courier, 24 June 2009, p33

Mushrooms, walnuts, goat and sheep cheese, apples and pears and many more foods are on the menu this week for 13 young chefs and waiters who are finalists in the Electrolux Appetite for Excellence Young Chef and Young Waiter awards. The group began a week long tour of Victoria on Monday to gain an in-depth understanding of Australian agriculture.

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Fighting Fund seeks support to challenge new Horticulture Award

Gatton Lockyer Brisbane Valley Star, Gatton QLD, 24 June 2009, p34

Horticulture Australia Council is asking growers and individual companies within the horticulture service industries and broader supply chain for contributions to a Fighting Fund to fund industry activities aimed at improving the critical elements of the new Horticulture Award.

The HAC Board is asking for nominations for a Reference Group to oversee the Fighting Fund and to provide independent advice to HAC on the expenditure of the funds. Horticulture industries need to raise in the vicinity of \$1m. Any unused funds will be retained in a separate account for future use in high

priority action issues for horticulture. The deadline for contributions is 29 June.
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South West WA growers reducing orchard size and selling their land

Bunbury Herald, Western Australia, 23 June 2009, p17

Donnybrook orchardist John Sheehan said that he has already scaled back his orchard by 50 per cent in order to be viable. He said that the new Horticulture Industry Award 2010, which includes higher casual loading rates and double time for workers on Sundays, means that others will also have to scale back, 'there's just no money in it'.

Joe Licciardello said that price hikes and the higher wages are just 'pushing the industry out'. The third generation farmer has already reduced his orchard from 186ha to 121ha and will reduce it to 80ha next year. He said that he is reducing the number of employees, 'the idea is to grow what we can as a family'. He said that guys are not getting a fair return for their produce and are selling their land, "it's a very big concern."

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Future Orchards 2012 orchard walk well attended in the Granite Belt

Daily News, Warwick, Queensland, 23 June 2009, p14

More than 25 growers from the Granite Belt attended the Future Orchards 2012 orchard walk held initially at the QDPI Applethorpe Research Station. Speakers were Ross Wilson and Craig Hornblow of AgFirst. The group viewed a practical demonstration of the Tifone Cobra Interceptor orchard sprayer, provided by Fred Baronio.

The group then continued out to Daniel Nicoletti's orchard for practical pruning demonstrations, and discussion about bud counts and setting up the apple crop for next season. The next orchard walk will be held in September. Contact Allan Walters on 4681 6100 for more information.

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Slump in apple sales

www.freshplaza.com, source: abc.net.au, 22 June 2009

Aussies don't seem to be eating an apple a day any more. A 30 per cent fall in apple sales is expected to cut returns to growers this year. Winter is normally the peak demand time for apples, but recent sales figures show a drop across all varieties.

David Adams, from Australian Fruit Marketers, said that it is unlikely the market will recover. "If the pressure stays on for us to be pushing fruit onto the market without the demand being there, that could put further downward pressure on price," he said. "And at the levels we're at now, they're not really sustainable as far as the growers are concerned."

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Fruit Fly Body of Knowledge

www.freshplaza.com , source: *Plant Health Australia newsletter*, 22 June 2009

The National Coordinator for the Fruit Fly Body of Knowledge Project recently gave presentations to Biosecurity Queensland on the Australian Plant Health System, Emergency Response Coordination and the National Fruit Fly Strategy.

In most jurisdictions the Fruit Fly Body of Knowledge Project will be completed on 30 June 2009. If you know of information relating to fruit fly in Australia that may not have been included in the project, please contact the Coordinator in your jurisdiction

(http://www.planthealthaustralia.com.au/corporate_documents/display_document.asp?category=7&ID=664). After 30 June please contact Roberta Rossely at roberta.rossely@daff.gov.au. [Return to Front](#)

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Agriculture Minister supports export reform, with a catch

AAP Newswire, Australia, 19 June 2009

Agriculture Minister Tony Burke described the \$40m to be spent on reforming the export process as the biggest shake up since the Export Act was introduced in 1982. He said that the efficiency drive will cut red tape and help to support local jobs. He said that the workforce of inspectors is aging and the whole certification process relies too heavily on expensive and time consuming paperwork. He said that after the reforms, electronic processing will reign supreme.

However Labor will only allow the reforms if parliament allows revised export service fees, ending the subsidising of costs by the commonwealth. The new fees schedule is expected to be tabled in the Senate on Monday. [Return to Front](#)

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AHEA opposes AQIS fee increases

www.freshplaza.com , source: *AHEA, 19 June 2009*

The Australian Horticultural Exporters Association (AHEA) is the peak industry body representing exporters of fresh fruit and vegetables from Australia. Its members, it believes, contribute to at least 70 per cent of the costs of the AQIS inspection program, which will be more than \$ 7.3 million in 2009/2010.

The AHEA said that industry was never aware of the sunset clause in the legislation that provided the 40 per cent Government contribution to end on 30 June 2009. Certainly the AHEA only became aware of it in February 2009.

It said that fresh fruit and vegetables are of lower fob value than many primary exports, and our shipments are often smaller, so any increase in AQIS fees, which are based on a set fee structure, cost exporters proportionately more.

The end point for requiring 100 per cent cost recovery for AQIS suggests a plan to maximize the income for AQIS, rather than to develop a work plan to expand Australia's exports to benefit the growers who supply the fruit or vegetable and the exporters who ship it. See also enclosed articles 24 June 2009. [Return to Front](#)

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Apple crop very good for some, not so good for others

The Land, NSW, 18 June 2009, p13

Manager of orchard operations at Batlow Co-operative Ron Gordon, said that the southern NSW Batlow region has received the rare trifecta this season with the biggest apple crop in years, the best quality fruit

and good prices. He said that the cooperative had taken in about 52,000bins (360kg each), about double last year's 27,000 bins.

The cooperative handles more than half the fruit grown in the district. In the past four years it has acquired four orchards totalling about 100ha 'to counter grower attrition and to ensure sustained throughput at the packing shed'. Ron Gordon said that wholesale prices ranged up to \$5 to \$6 a kilogram, but were now starting to drop back. Red Delicious now ranged from about \$2/kg.

APAL's g/m Tony Russell said that while the Orange region in NSW also had a good year, crops in Victoria and South Australia had been hard hit by heatwaves and drought. Despite this the national crop would be 290,000 to 300,000 tonnes, up on last year's 270,000t. However extra supply has led to lower prices and demand had dropped off in recent weeks.

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NSW State budget a record high, despite closures

The Land, NSW, 18 June 2009

The Department of Primary Industries budget has been allocated a record \$550m in the 2009/10 NSW State Budget. Science and research facilities have been allocated \$163m, including \$8m to relocate facilities at the Gosford Horticultural Institute at Narara to the University of Newcastle. Decisions are yet to be made on other agricultural research centres mooted for closure in last year's mini budget. The Government has also allocated \$13.7m for further purchases of water entitlements from irrigators to boost environmental flows in river systems.

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Horticulture IDO network set for Victoria

Weekly Times, Victoria, 17 June 2009,

Victorian industry groups willing to employ industry development officers will be offered a state government grant to assist appointments and to provide a Horticulture Industry Network to address shortcomings in the system. Horticulture program manager Euan Laird said that the network would complement, not replace or compete with, the Horticulture Australia Limited system of IDO's. Fruit Growers Victoria g/m, John Wilson, said that it is important to avoid duplication. "We need to ensure a better outcome for farmers", he said.

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New Zealand

NZ: Top fruit market news

www.freshplaza.com , 22 June 2009

UK: Apples have been at record high prices for several months due to the weaker pound, and this has slowed fruit movement. Cox prices have been at acceptable levels but for Royal Gala and Braeburn, there is lots of competition especially from South Africa.

EU: Most Royal Gala has now been sold and retailers are now switching to Braeburn. Early prices for both varieties were around €19-20 but have slipped considerably and remaining Royal Gala is being sold for as little as €14.50. Pink Lady™ started strongly but total Southern Hemisphere supplies to date are 35 per cent greater than 2008.

North America: The record US crop has been slow to clear and opportunities for NZ fruit at retail are only just appearing in volume. Prices for preferred count sizes should remain firm with much less competition from Chile this year.

Asia: Initial sales and prices were good but have slowed in recent weeks. Remaining volumes of the Pacific series will need to spread over several weeks.

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Compensation for NZ kiwifruit growers hit by hail

www.freshplaza.com , source: bayofplentytimes.co.nz, 22 June 2009

Kiwifruit growers whose crops were wiped out by hail last month could receive up to NZ\$3 a tray in compensation, as fellow orchardists and the industry to come to their aid. The money will come from an injection of NZ\$1.4 million made by the Grower Pool, utilising funds previously earmarked for crop management that was halted when the hail hit.

An additional financial contribution of NZ\$500,000 will be made by Zespri Corporate and together these will ensure that a minimum payment of NZ\$1.75 can be made per eligible tray of Zespri Green Kiwifruit and NZ\$2.35 for Zespri Green Organic Kiwifruit. In addition, unaffected growers will be offered the chance to voluntarily contribute a component of their returns, potentially increasing the payment to around NZ\$3 per tray.

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Envy to Asia and the US

Otago Daily Times, 20 June 2009, p17

The first Envy consignment from Central Otago left this week for Asia and the United States. Otago regional manager for ENZA Ltd, Jeff McDonald said that the Central Otago contribution of 100 cartons was only a 'drop in the ocean' of the 4,000 cartons to be exported for the first time this season. The apples were harvested and stored more than a month ago and are expected to sell for a premium price of about NZ\$30 per carton. Central Otago has produced 560,000 cartons of export apples this season. Fruit quality is excellent.

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UK / Europe

Chile fruit promotion in Russia

www.freshplaza.com , source: *foodbizdaily.com*, 22 June 2009

In its third day of a visit to Russia, a Chilean delegation formed by authorities of the Ministry of Agriculture, ASOEX and FEDEFRUTA, participated in a promotional launch of Chilean fruit in the Russian market in Moscow and St. Petersburg.

Despite the effects of the global crisis, the Russian market remains one of the most interested in the Chilean fruit industry. The market has a large consumer base, a population of 140 million people, growing GDP per capita and a middle class with greater purchasing power. The export market has grown, doubling the volumes of fruit between the 2005/06 and 2007/08 season.

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EU countries opt for free fruit for kids

www.freshplaza.com , source: *vancouver.sun.com*, 17 June 2009

Millions of children in nearly all of the EU's 27 countries will get free fruit and vegetables from school next year under a scheme to promote healthy eating and tackle child obesity, the bloc's farm chief said on Tuesday.

Only Finland, Latvia and Sweden chose not to take part in the first year of the scheme, which provides 90 million euros in EU funding to help pay for and distribute fresh and processed fruit and vegetables.

That cash amount will be matched in each country by national and private funds. The scheme begins in the 2009/10 school year.

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South Africa

Whitefly, a new fruit pest in South Africa

www.freshplaza.com , source: *capeargus.co.za*, 24 June 2009

An insect pest that wrought havoc in the California fruit industry two decades ago has made its appearance in the Western Cape, a University of Stellenbosch entomologist announced on Tuesday. The Pomegranate or Ash whitefly could severely damage garden shrubs, and apple, pear, olive, citrus and pomegranate trees, Professor Jan Giliomee said in a statement.

Giliomee discovered the insect recently for the first time in South Africa on a wild olive on the Overberg coast, and it was then formally identified by a taxonomist of the National Insect Collection in Pretoria. The whitefly originates in Mediterranean countries such as Spain, Italy, Israel and Egypt, and has spread to India, Iran, New Zealand and Australia.

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North America

Top fruit update in US

www.freshplaza.com , source: *Mark Greenberg, 23 June 2009*

Royal Gala: The US market is all but cleaned out of Royal Gala apples and is now awaiting the start of the C/A arrivals. But the relative shortage of Royal Gala apples over the last few weeks has not translated into extraordinary prices for growers. Through week 25, Royal Galas have been selling at US\$ 26 – 28. But this will translate into something less to growers as account is taken for re-pack losses.

Granny Smith: Granny Smith apples are selling slowly at US\$ 20 – 22 for 90's and 100's and perhaps US\$ 24 for 80's. Much of this movement is in the wholesale market.

Pink Lady/Cripps Pink: Pink Lady/Cripps Pink loadings from Chile are well ahead of last season with a whopping 166 per cent increase in total loadings as compared to 2008. Equally remarkable is that the price for these apples has been so strong. Although a bit softer than a week ago, prices remain in the US\$ 24 – 26 range for 70's and 80's and US\$ 22 – 24 for 90's.

Braeburn: Interest in Chilean Braeburns is low. Quality is generally unspectacular. Braeburns are a tough sell, even at today's low price level of US\$ 16 – 18 for 70's and 80's and US\$ 14 – 16 for 90's.

Fuji: Fuji arrivals on both the east and west are well behind last season. This, and the generally good quality of the arriving product has kept prices robust. Though (like the Cripps/Pink Lady) prices have softened in the last week, Fujis are still moving at US\$ 26 - 28 for 70's and 80's and US\$ 24 – 26 for 90's.

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Budget to target emerging markets

www.freshplaza.com , source: *Capital Press, 19 June 2009*

The Washington Apple Commission board of directors last week decided to reallocate some of its marketing budget to target growing and emerging markets. The move is aimed at opening new markets and growing smaller markets, said Todd Fryhover, president of the commission.

The largest market getting more funding is India. The commission is increasing its marketing budget there to \$613,000 for the 2009-2010 production year, up from \$594,000 the year before. The 2008-2009 production year saw record numbers but smaller fruit; however, markets like India and Indonesia like smaller apples, Fryhover said. "These markets are also enjoying varieties that have not previously been seen there."

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New website for Washington Apple Commission

www.freshplaza.com , source: *Capital Press, 19 June 2009*

A new website will soon be added to the toolbox the Washington Apple Commission uses to aid sales and increase international promotion of Washington apples. The website which will track sales, promotional activities and outcomes and provide a database for sales representatives, trade organizations and the

commission - is in development and should be ready to launch in September.

"Sales people should be able to go in (to the website) and see actual promotions and how they are affecting the market." said Todd Fryhover, president of the commission. The website will help increase sales and marketing efficiency and work with marketing desks to keep an accurate accounting of sales, Fryhover said.

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Burger King apple fries coming to supermarkets

www.freshplaza.com , source: *miamiherald.com*, 19 June 2009

Cut in the shape of real french fries, the skinless red apples will be available in about 10,000 supermarkets starting this fall. It's part of a licensing deal Burger King announced Thursday with Crunch Pak. The apple fries were launched a year ago as a healthy kid's meal side dish. More than 29 million servings have sold. The success of the product and Burger King's brand appeal prompted the move into a new retail arena.

There's no word yet on which supermarkets will carry the apple fries, but they'll be available in the produce section. Single servings are expected to sell for about \$1 and a multiple serving package for \$4 to \$5.

"The popularity of this clever product is now opening up new channels for our business and providing our customers with a menu favorite in the places they shop most," said John Schaufelberger, senior vice president, global product marketing and innovation for Burger King.

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US families continue organic purchase

www.freshplaza.com , 18 June 2009

While they are tightening their spending habits amid economic uncertainty, US families however are not giving up their purchases of organic products. In fact, nearly three-quarters (73 percent) of US families buy organic products at least occasionally, chiefly for health reasons according to a new study to be unveiled this week.

Findings show that three in ten U.S. families (31 percent) are actually buying more organic foods compared to a year ago. Many parents preferred to reduce their spending in other areas before targeting organic product cuts. In fact, 17 percent of US families said their largest increases in spending in the past year were for organic products.

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US: Safeway expands locally grown produce

www.freshplaza.com , source: *examiner.com*, 17 June 2009

Safeway recently announced that it is stepping up its efforts to offer locally grown produce. While its website shows a diagram committing to 30 per cent of their produce to be locally grown, a press release dated 12 June 2009, announced that they have raised this number to 45 per cent in some locations.

Further, its prepared release stated that it has been buying from some farmers for more than 60 years. In regards to large supermarket chains this is good news. It also makes note, in their release, that it now offers "more local produce per item than at a typical farmer's market". While this statement is up for debate, there are other issues at hand here.

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South Asia

Huge drop in Himachal apple forecast

www.freshplaza.com, source: *business-standard.com*, 22 June 2009

An almost snowless winter, coupled with a prolonged dry summer, has taken its toll on the apple crop this year in Himachal Pradesh. The state's horticulture department has forecast a huge drop, a month ahead of the apple harvest season begins.

According to the final report submitted to the state government, the state's horticulture department estimates the production will be around 18 million apple boxes this year. Last year, the production of apple was 25.5 million boxes. Two years ago, it was an all-time high of 29.2 million boxes. Each box weighs between 20 kg and 26 kg of fruit.

Apple is grown in almost 86,000 hectares in the hill state. Shimla district alone accounts for 80 per cent of the state's entire production. Kullu, Kinnaur, Mandi, Chamba, Sirmaur and Lahaul & Spiti districts also grow apples.

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Los Angeles Market Report

LA wholesale on 22 June 2009 provided by: Fruit and Vegetable Market News, USDA.

Source	Variety	Pack	US \$ Min	US\$ Max	AU \$ Min	AU \$ Max
Washington	Red Del	18 kg	12.00	25.00	15.02	31.30
Washington	Golden Del	18 kg	10.00	23.00	12.52	28.79
Washington	Fuji	18 kg	12.00	27.00	15.02	33.80
Washington	G Smith	18 kg	10.00	24.00	12.52	30.05
Washington	Gala	18 kg	14.00	30.00	17.53	37.56
Washington	Pink Lady™	18 kg	9.00	16.00	11.27	20.03
Oregon	Anjou	20 kg	27.00	29.00	33.80	36.30
Chile	Bosc	18 kg	22.00	26.50	27.54	33.17
Oregon	Red Anjou	10 kg	16.00	16.00	20.03	20.03
New Zealand	Taylor's Gold	1 lyr tray	19.00	19.00	23.79	23.79
California	Apricots	2 lyr tray	22.00	28.00	27.54	35.05
California	Cherries	6.8 kg	35.00	40.00	43.82	50.08
California	Nectarines	2 lyr tray	18.00	26.00	22.53	32.55
California	Peaches	2 lyr tray	16.00	24.00	20.03	30.05

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Information About APWN and Disclaimer

This bulletin is prepared weekly to bring you up to date with the latest information about apples and pears with some reference to other commodities. Information is sourced from weekly and monthly publications and the electronic media and is used in the next issue of the bulletin after it is received. All sources are referenced.

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Currency conversions are for guidance only and were obtained from the Bloomberg Currency Calculator which can be found at <http://www.bloomberg.com/markets/currencies/fxc.html>

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