Canning Fruit study tour and attendance at the 8th World Canned Deciduous Fruit Conference, California, April 07

Ivan Routley
Canned Fruits Industry Council of Australia

Project Number: CF06003

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CF06003

Canning Fruit Industry

8th World Canned Deciduous Fruit Conference

20th April 2007

<u>Final Report</u>

By Ivan Routley

Victorian Peach & Apricot Growers' Association

for the

Horticulture Australia Ltd

January 2008.

"This project was facilitated by HAL in partnership with V.P.A.G.A. It was funded by voluntary contributions from industry. The Australian Government provides matched funding for all HAL's R&D activities."*

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The information gained from this tour has been presented through grower association nights and committee meetings. The information has been of valuable assistance in joint industry and Government discussions with other non-European producers of canned fruit. These discussions will help in developing strategies for future marketing directions.

Acknowledgements

The Study Group wishes to gratefully acknowledge the contribution made by the Horticulture Australia Ltd towards the cost of the tour.

The contribution by all members of the touring party enable a good cross section of information to be obtained by a group of leading Australian Fruitgrowers and canners.

Attendees –

Cobram - Ivan Routley
Doug Brown
Peter Kemp

Report on 8th World Canned Deciduous Fruit Conference

The World conference was held in Sacramento California USA, from the 15th to 19th of April 2007 and was attended by delegates from the major canned fruit producing countries, including Argentina, Chile, Greece, South Africa, Spain and the United States.

Also in attendance were observers from Russia and the England The previous conference was held in Santiago Chile in November 2004. Each country reported on the current state of their industry with regards to fresh production, and canned production.

Matters of importance to emerge from the country reports were the expected return of to full production in Greece following two years of very poor crops due to frost. The cost pressures that are emerging in the California for orchard and factory labour are looming as a major concern for their fruit industry. The growth in exports from China and the continuing low value of the US$ against the currencies of other exporting countries is impacting on all exporters.

Country Reports

Argentina

Presented by Roberto Lamb

The estimated production of peaches for 2007 is expected to be 152,300 tons of which 83,700 tons should be canned. A feature of the Argentinian Industry is that up to 50% of the production is utilised by the Pulp and Puree sector which pays US$150 per ton and continues to be a major competitor for fruit to the canned Industry. As a result the price this year has increased to US$250 - $260 per ton from $180 in 2006.

It is estimated that 34% of the intake of peaches for canning is now grown by the canners.

Following the 2003 crop failure in Greece one of the larger Greek canners has set up a joint operation with an Argentine canner.

There are currently 15 plants processing peaches and 5 processing pears. Pear production for canning this year is estimated at 10,000 tons at a price of US $150.

CAFIM CAMARA DE LA FRUTA INDUSTRIALIZADA DE MENDOZA

COUNTRY: ARGENTINA

TOTAL AGRICULTURAL PRODUCTION OF DECIDUOUS FRUITS (All varieties in Tons And Hectares)

Products \ Years	UNIT	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007 (Estimated)
PEACHES	MT	105.000	127.800	153.200	126.800	152.300
	HA	7.400	7.597	7.900	8.000 (*)	8.000 (*)
PEARS	MT	-	-	-	-	-
	HA	-	-	-	-	-
APRICOTS	MT	-	-	-	-	-
	HA	-	-	-	-	-

NOTE: Our Season runs from December to March.

(*) New Orchards Census will be done this winter. Final figures will be provided by end of October.

MT: Metric Tons. HA: Hectare

COUNTRY: ARGENTINA

AMOUNT OF FRESH FRUIT CANNED

Peaches & Pears: includes Canned Mixed Fruits

Products \ Years	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007 (Estimated)
PEACHES	50.400	64.000	72.100	67.500	83.700
PEARS	-	8.000	8.000	9.500	10.000
APRICOTS	-	600	-	-	-

Marketing year: South Hemisphere April to March. North Hemisphere September to August.

MT: Metric Tons

CAFIM CAMARA DE LA FRUTA INDUSTRIALIZADA DE MENDOZA

COUNTRY: ARGENTINA

TOTAL CANNED PRODUCTION IN BASIC CARTONS (24 Cans / 1 Kg)

Products \ Years	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007 (Estimated)
PEACHES	2.400.000	3.200.000	3.660.000	3.560.000	4.450.000
PEARS	120.000	190.000	200.000	210.000	250.000
APRICOTS	-	40.000	-	-	-
MIXED FRUITS	250.000	300.000	350.000	415.000	370.000

Marketing year: South Hemisphere April to March. North Hemisphere September to August.

CAFIM CAMARA DE LA FRUTA INDUSTRIALIZADA DE MENDOZA

COUNTRY: ARGENTINA

EXPORTS OF CANNED PRODUCTION IN BASIC CARTONS (24 Cans / 1 Kg)

Products \ Years	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007 (Estimated)
PEACHES	-	1.500.000	1.500.000	1.260.000	1.750.000
PEARS	-	105.000	115.000	120.000	100.000
APRICOTS	-	40.000	-	-	-
MIXED FRUITS	-	85.000	140.000	115.000	60.000

Marketing year: South Hemisphere April to March. North Hemisphere September to August.

MT: Metric Tons

Chile

Presented by Roberto Murphy

The 2007 season in Chile has been impacted by unusual weather conditions, with lower than normal chilling hours, a long flowering period leading to an uneven set of fruit. This was then followed by low temperatures during spring and higher than normal temperatures during December. This resulted in smaller fruit (16% below 55mm) and uneven ripening of the crop. Consequently factory yields were down.

Production and canning volumes however increased and were the highest for a number of years. The amount of fruit both peaches and pears, going to the puree sector has been increasing in recent years. The prices paid for puree are now the same as canning with the canning price increasing to US$259 per ton from US$184 in 2006. The increase was even greater in local currency terms, 95 to 140 pesos. (the exchange rate for the peso with the US $ has strengthened from 620 pesos in 2005 to 540 pesos in 2007

Chile is now producing 4.9 million cartons of canned fruit, and exports are increasing with the equivalent of 70, 000 tons of peaches exported.

Big investments are being made in plants, including the puree industry, water treatment plants and plantings of peaches which are increasing with about 300 hectares expected to be planted this year.

Chile is vigorously pursuing free trade agreements and now has agreements with China and Japan, all be it with long phase out periods of up to 10 years for duties on canned fruit.

Problems that they are facing include increasing labour costs in factories, due to new labour regulations and increasing demand for labour on orchards is leading increased production costs.

Agricultural production of deciduous fruits varieties, for the canning industries

SPECIE	UNIT	YEAR					
		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
PEACHES Cling peaches	MT	103,750	135,400	195,480	201,700	142,000	242,000
PEARS	MT	30,540	40,450	39,100	40,500	43,600	72,000
APRICOTS	MT	10,870	10,650	14,470	12,570	8,050	8,000

Amount of fresh fruit canned marketing year

SPECIE	UNIT	YEAR					
		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
PEACHES	MT	58,320	72,790	81,000	85,200	61,800	96,000
PEARS	MT	4,800	5,100	7,900	14,500	12,150	12,000
APRICOTS	MT	395	425	945	900	850	360

Total canned production in basic cartons

PRODUCT	UNIT	YEAR					
		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
PEACHES	24 Cans / 1 Kg	2,676,040	3,384,800	3,800,000	3,950,000	2,900,000	4,100,000
PEARS	24 Cans / 1 Kg	62,500	75,500	80,000	120,000	100,000	80,000
APRICOTS	24 Cans / 1 Kg	14,500	15,600	36,000	39,000	16,000	24,200
MIXED FRUIT	24 Cans / 1 Kg	599,000	635,470	520,000	550,000	675,000	650,000

Exports of canned products

PRODUCT	UNIT	YEAR					
		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
PEACHES	MT	36,920	49,885	53,956	59,609	50,886	69,000
PEARS	MT	1,140	1,390	1,500	1,500	1,500	1,500
APRICOTS	MT	195	210	725	668	220	476
MIXED FRUIT	MT	9,825	10,424	9,600	8,660	11,276	12,400

Greece

Presented by Costas Apostolou

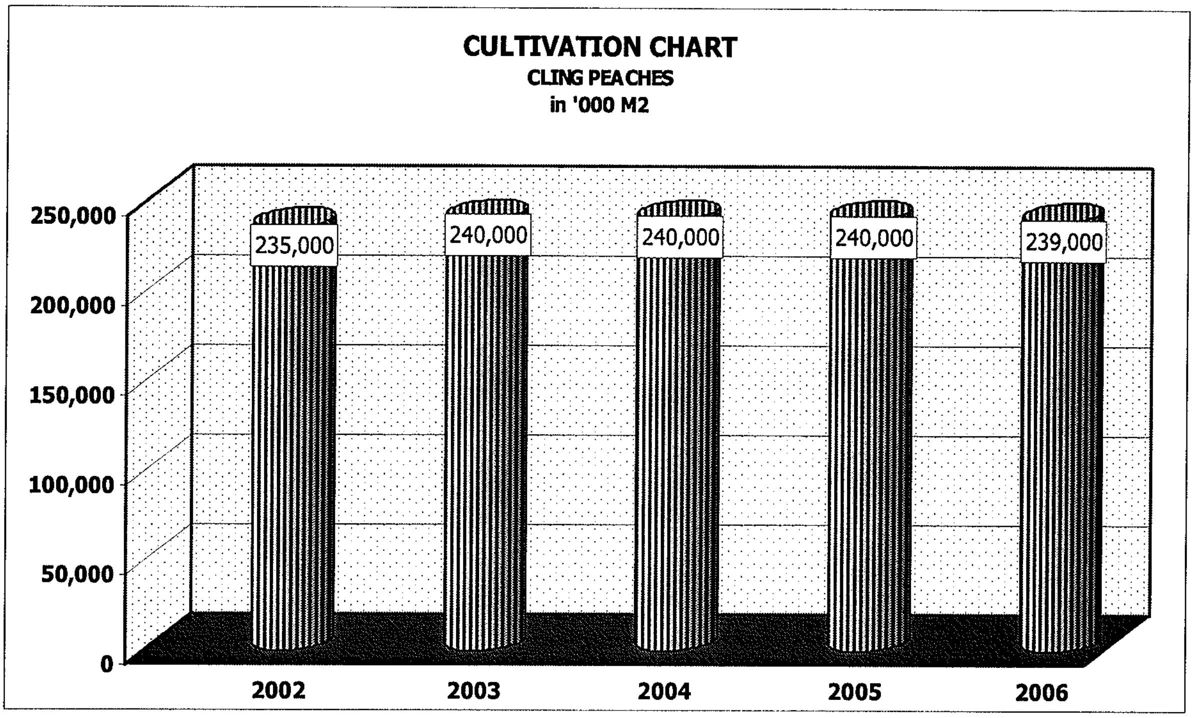
Plantings for the Greek peach industry remain steady at 240 000 hectares.

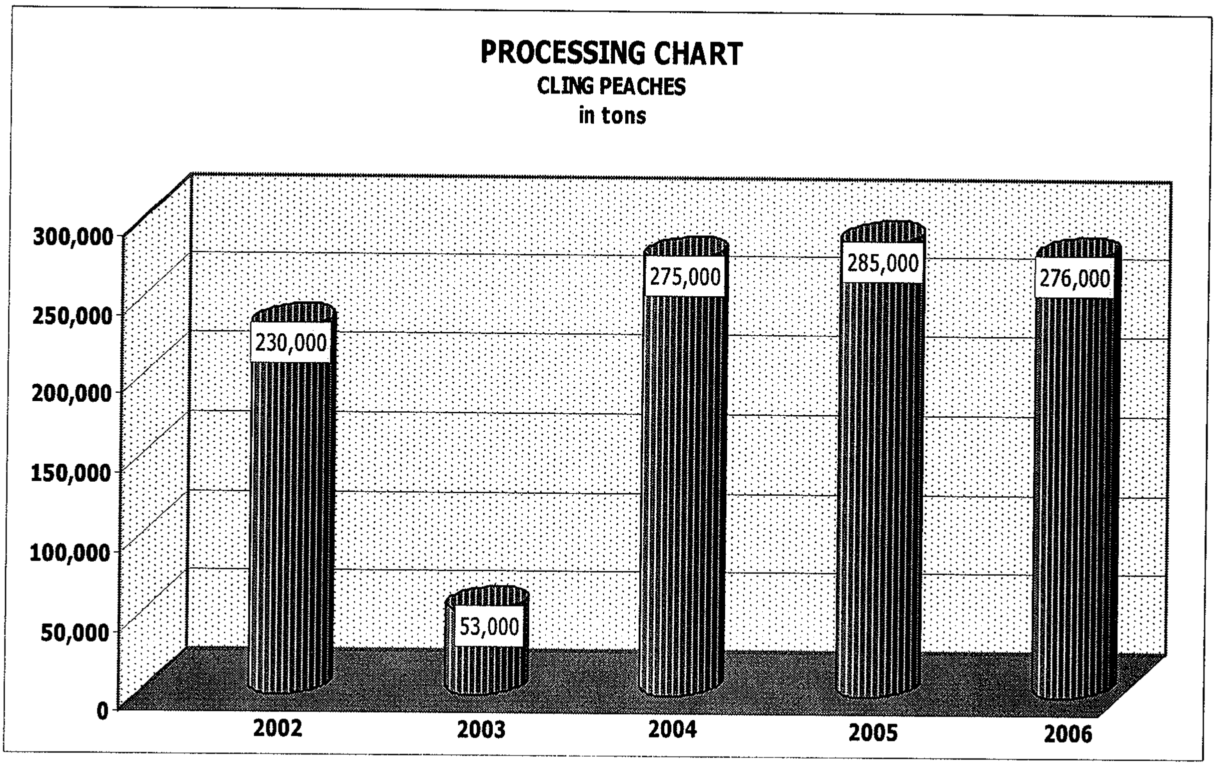
Greece is currently the biggest fruit exporting country in the world. The planting and production trends are therefore important to the whole world industry.

Over the last 3 years the tonnage of cling peaches processed has been relatively stable but with a large crop forecast for 2008, of 500 000 tons, canned production may increase dramatically (300,000 tons of canning suggested) and adversely affect world markets.

Factors affecting potential Greek production are the changes to the payment method of E U subsidies, which come into effect at the end of this season (decoupling). This may lead to Greek farmers reducing future production or divert to the fresh fruit market as the subsidy is no longer tied to the number of tons produced and sold for processing.

The subsidy currently stands at 47.7 euros per ton of peaches sold for canning. Currently the price of peaches is 230 euros per ton and the changes to the subsidy would be expected to put pressure on the canners higher fruit prices.





SOUTH AFRICA.

Presented by Wiehahn Victor.

The South African Canned Fruit Industry is a major player in the world canned fruit market accounting for 17% of world trade. The South African industry accounts for 8% of world production exporting 85% to 90% of what it produces. However the hectares planted to peaches, pears and apricots are declining and are being replaced by varieties suitable for the fresh fruit market.

The South African industry produces 250,000 tons of fruit to a gross value of R335million. 12,571 hectares are planted to fruit trees with about 1,100 farmers, 15,000 farm workers and 11,300 factory workers involved in the industry. The processing sector now consists of only 3 canners since the merger of the 2 largest, Ashton canning and Langenbergs.

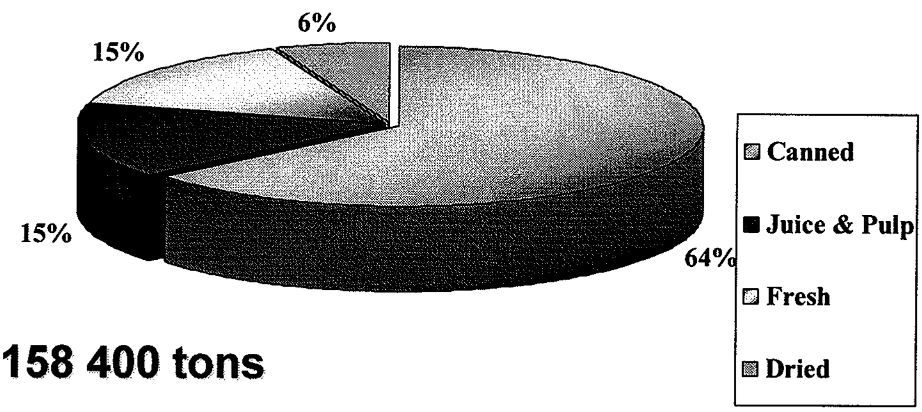
Total production of peaches in 2007 is expected to be 160,000 tons with canning expected to take 101 000 tons or 64%, up on the lower than normal 85,000 tons canned in 2006. Pear production is 82,000 tons, of which 63% is canned.

The net price paid to farmers is based on a formula negotiated between the growers and the canners and includes quality bonuses. An average of 94% canning quality fruit qualifies for the fruit bonus.

Payment terms, on average, are full payment in 45 days. The criteria for assessing fruit on receival, has been compiled by cooperation between both growers and canners. The South African Industry is a large producer by world standards of canned apricots for which growers receive by Australian standards a very low price (1120 Rand)

5. MARKETING CHANNELS

South African Deciduous Fruit Canning Industry



Total: 158 400 tons

8th World Canned Deciduous Fruit Conference, Sacramento, CA

South African Deciduous Fruit Canning Industry

3. AGRICULTURAL PRODUCTION

TOTAL HECTARES OF DECIDUOUS TREES

Years / Products	2003/2004	2004/2005	2005/2006	2006/2007
PEACHES	7 956	7 668	7 305	7 057
B C PEARS	3 117	2 790	2 594	2 326
EARLY B C PEARS	766	871	982	1 016
APRICOTS	2 348	2 355	2 293	2 172

8th World Canned Deciduous Fruit Conference, Sacramento, CA

South African Deciduous Fruit Canning Industry

AMOUNT OF FRESH FRUIT CANNED (Metric Ton)

Years / Products	2003/2004	2004/2005	2005/2006	2006/2007
PEACHES	116 650	112 800	85 500	101 000
PEARS	52 800	46 750	49 700	54 200
APRICOTS	48 620	28 200	40 310	26 000

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South African Deciduous Fruit Canning Industry

7. TOTAL CANNING PRODUCTION

BASIC CARTONS (24 Cans / A2.5)

Products	2003/2004	2004/2005	2005/2006	2006/2007
PEACHES	**3 640 880**	**3 580 000**	**2 782 260**	**3 522 260**
PEARS	**1 111 175**	**1 030 000**	**1 110 312**	**1 079 854**
APRICOTS	**1 389 880**	**1 130 000**	**1 360 120**	**986 108**

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South African Deciduous Fruit Canning Industry

8. EXPORTS OF CANNED PRODUCTS

BASIC CARTONS (24 Cans / A2.5)

Products	2003/2004	2004/2005	2005/2006	Estimate 2006/2007
PEACHES	**3 876 050**	**3 558 215**	**4 048 354**	**2 790 000**
PEARS	**1 480 095**	**1 274 027**	**1 160 585**	**1 080 000**
APRICOTS	**1 185 144**	**1 314 237**	**1 039 746**	**1 125 000**

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Spain.

Presented by Joaquin Navarro Salinas.

The Spanish peach crop for this year is expected to be as good or better than in previous years. However the availability of water is an issue in Spain at the moment, following on from the past 3 years of low water, and is a matter of increasing concern with climate change.

However with the fresh fruit market taking an increasing share of the crop due to premium returns, the tonnage being processed is reducing. With stocks are very low levels due to increased exports in recent times, the Spanish industry will be unable to maintain export volumes of recent years. The number of processors has halved in recent times to 15 this year.

Spanish canned-fruit producers are concerned most about reform of the common market organization for fruits and vegetables (CMO). The fruit-production subsidies, as they are currently paid, will be phased out during a transition period. The transition period, and the means of replacing the "lost" funding are key concerns of the industry. It is their understanding that at the end of the transitions period, fruit producers will receive a single farm payment based on eligible tree hectares, which, they claim, may leave them short of raw material, because peach producers will look to the more lucrative fresh market to maximize total farm revenue.

FNACV

Federación Nacional de Asociaciones de la Industria de Conservas Vegetales

TOTAL AGRICULTURAL PRODUCTION OF DECIDUOUS FRUITS (All varieties)

Apr 15-18, 2007 Sacramento, CA

Years / Products	UNIT	2002	2003	2004	2005	2006
PEACHES	MT	1.247.400	1.270.800	916.500	1.198.300	1.380.100
PEARS	MT	640.800	728.300	562.100	652.000	604.100
APRICOTS	MT	119.400	143.800	122.400	136.600	165.000

MT: Metric Tons.

2

AGRICULTURAL PRODUCTION OF DECIDUOUS FRUITS VARIETIES FOR THE CANNING INDUSTRIES (MT)

Products \ Years	2002	2003	2004	2005	2006
PEACHES	566.100	570.026	458.100	568.900	496.050
PEARS	42.140	48.213	38.158	43.786	39.000
APRICOTS	43.827	58.745	49.420	54.060	70.000

MT: Metric Tons

3

AMOUNT OF FRESH FRUIT CANNED (MT)

Products \ Years	2002	2003	2004	2005	2006
PEACHES	119.548	157.790	115.720	152.355	107.347
PEARS	37.707	44.916	34.590	39.299	30.719
APRICOTS	29.000	35.000	29.500	30.000	26.000

MT: Metric Tons

4

TOTAL CANNED PRODUCTION IN BASIC CARTONS (24 Cans / 1 k)

Products \ Years	2002	2003	2004	2005	2006
PEACHES	5.999.136	7.918.189	5.807.040	7.645.451	5.386.868
PEARS	942.675	1.122.900	864.750	982.475	767.975
APRICOTS	N/A	N/A	N/A	N/A	412.630

EXPORTS OF CANNED PRODUCTS (MT)

Products \ Years	2002	2003	2004	2005	2006
PEACHES	82.341	99.638	73.037	57.910	78.464
PEARS	17.336	14.778	15.714	15.878	19.172
APRICOTS	36.144	34.136	30.591	25.683	27.400
MIXED FRUITS	9.567	6.649	10.307	12.228	16.465

MT: Metric Tons

10

United States

Presented by Rich Huggins

The Californian cling peach industry currently consists of 4 canners and 2 freezers. The 3 largest canners (DEL Monte Foods, Seneca Foods, and Pacific coast Producers) process over 90% of California's annual production.

The canned pear industry on the West Coast has evolved into two distinct areas, Oregon and Washington which produces only straight pear packs, and California which produces mainly fruit cocktail and mixed packs.

The apricot industry consists of the 3 largest canners who account for 60% of all fruit processed. The remaining volume going to freezing and for dried apricots.

The puree/pulp sector is only very minor (less than 5%) unlike Argentina and Chile.
The U.S. peach processing industry consolidated markedly over the last 55 years. From 42 canners in 1952, it had reduced to 17 canners in 1972, to just 4 canners and 2 freezers now (2007).

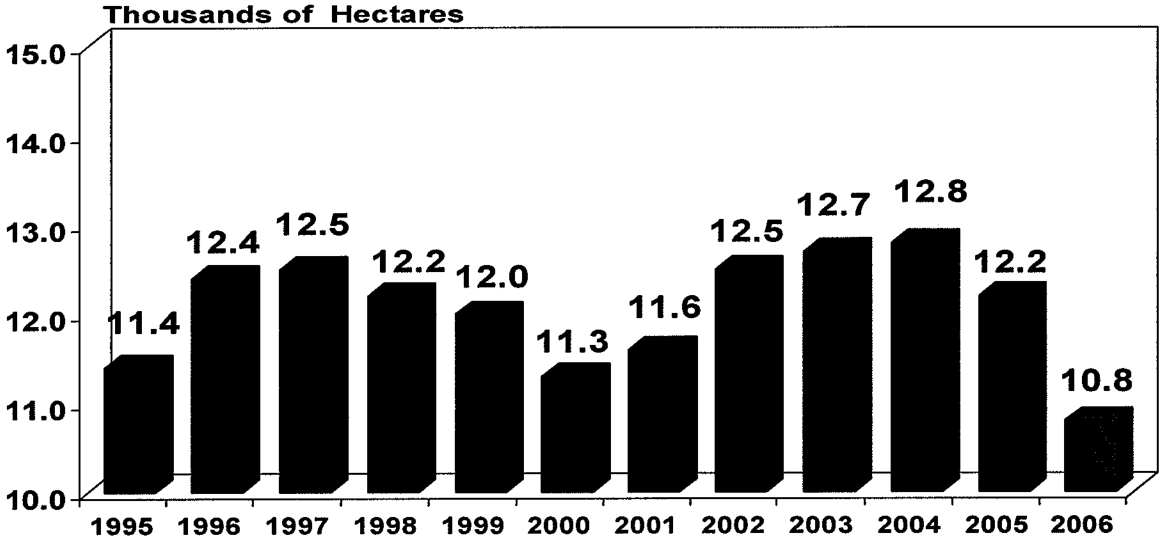
The area of bearing cling peaches has seen a marked decline since reaching a peak in 2004 of 12,800 hectares to the current 10,800 hectares. Since 2003, 5,529 hectares have been removed and only 990 hectares planted, a net reduction of 3,865 hectares. Removals have been aided by a grower funded tree pull scheme.

The Californian canned peach crop in 2006 was a disaster the worst for 20 years, at 322,000 tons.

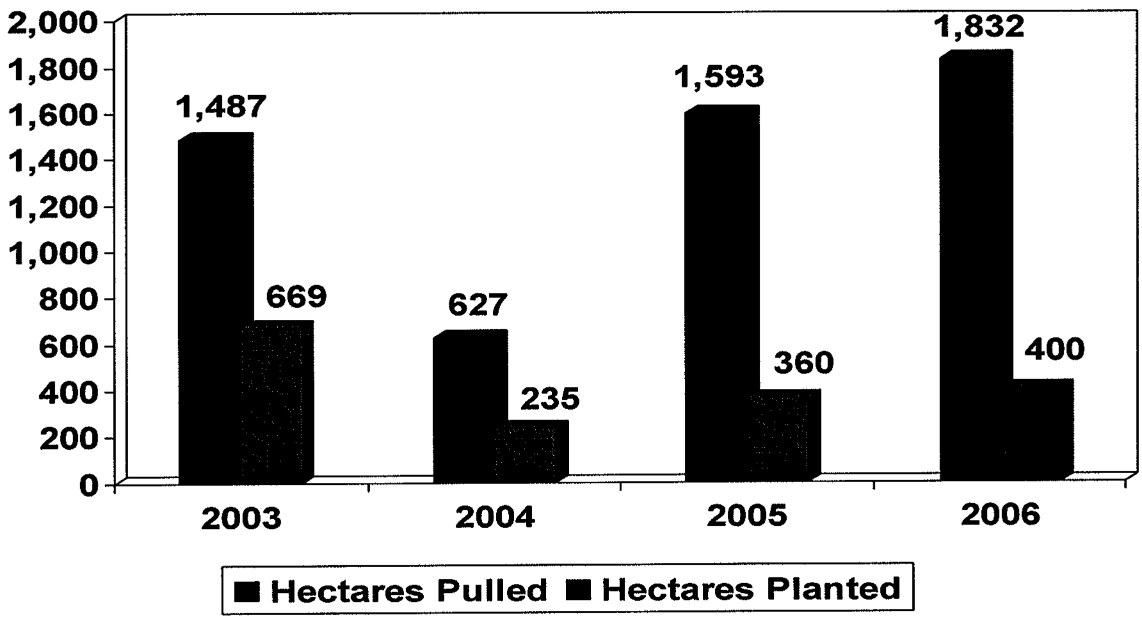
As result the Californian cling peach growers was able to negotiate increased prices to reflect the changed supply demand situation (US$304 per metric ton vs. $261 in 2005). Even though the U.S. is the largest world producer of canned deciduous fruit, it is a net importer. Average yearly sales in the U.S. of peaches is 17.76 m cartons with imports ranging from 1.7 m to 3.06 m cartons. These imports have been increasingly coming from China, who are now the largest exporter to the U.S. with 30% of all imports, from almost nil 7 years ago.

Labour concerns are affecting both the growing and processing sectors with the minimum Californian wage at US$8 plus social security (approx10%). Labour availability is a major concern with the tightening of immigration laws and the lack of a guest worker program. There a major concerns as to how the much bigger crop this year (up 80,000 tons) can be harvested as some fruit was not harvested in 2006 because of labour shortages. This has lead to industry both growers and canners investigating the use mechanical harvesting in the future. The Californian Industry had moved away from mechanical harvesting in the 1980's but now expect the volume of fruit harvested mechanically to increase in coming seasons. Processors are also facing problems with attracting suitable seasonal labour, cost increases and increased regulatory burdens.

California Cling Peach
Bearing Hectare Trends
1995 - 2006



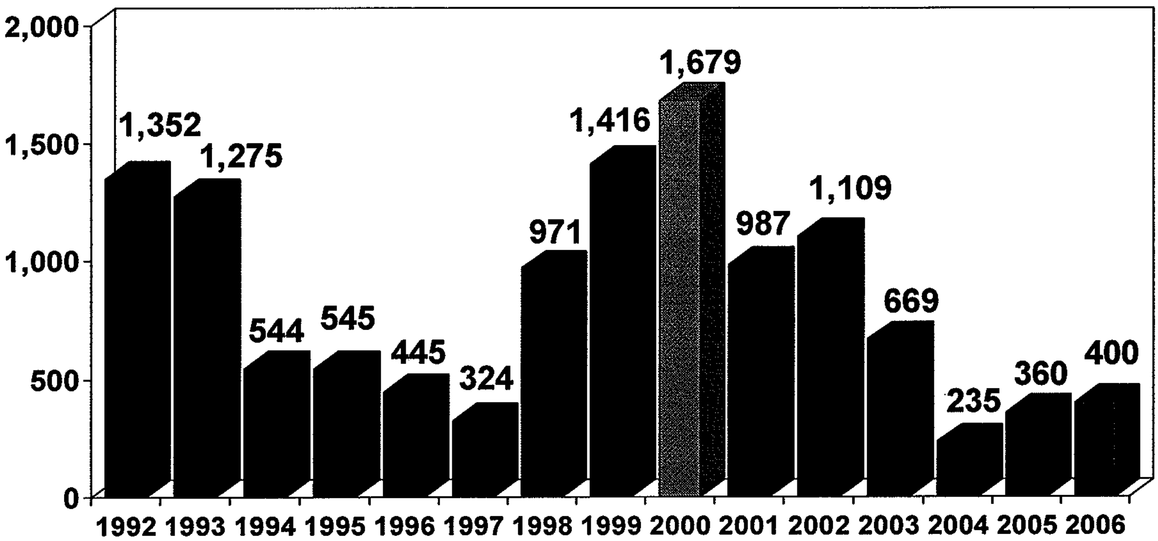
Cling Peach Hectares Pulled vs. Hectares Planted 2003 - 2006



Since 2003, Total Hectares Pulled 5,529 Total Hectares Planted 1,664

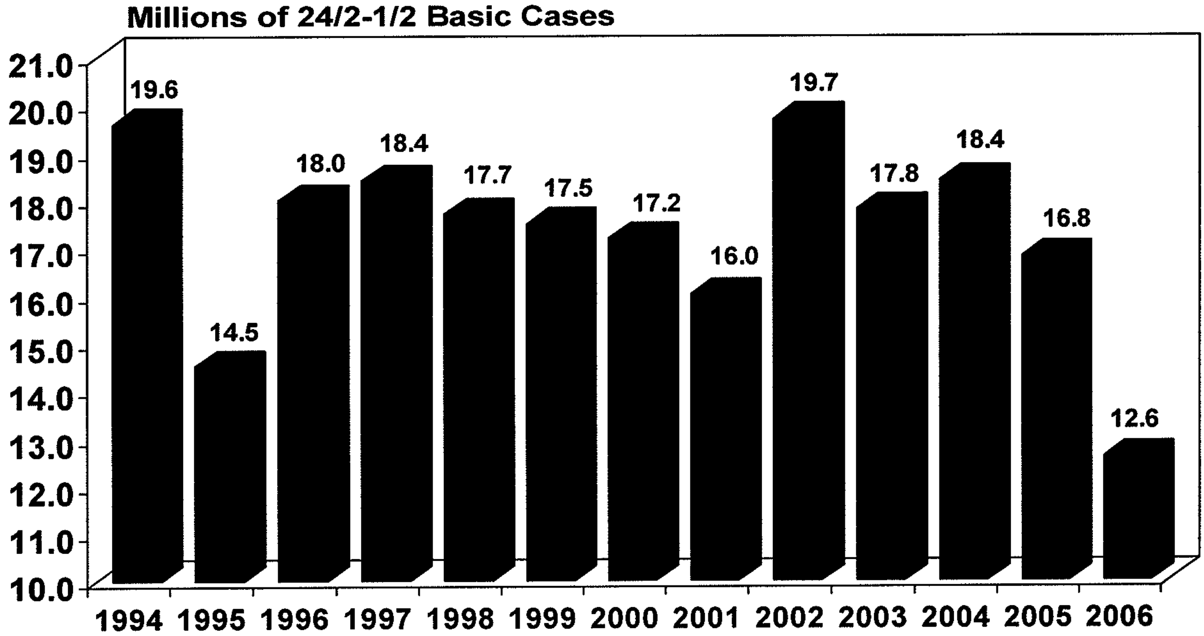
Net Reduction: 3,865 Hectares

California Cling Peach Hectares Planted 1992 – 2006

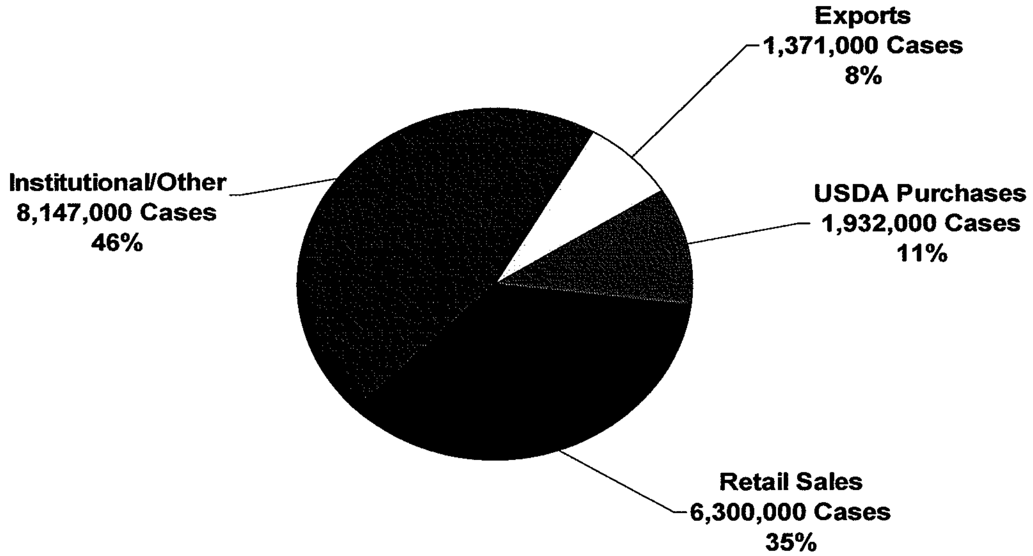


California Cling Peach Pack Trends 1994 - 2006

Millions of 24/2-1/2 Basic Cases

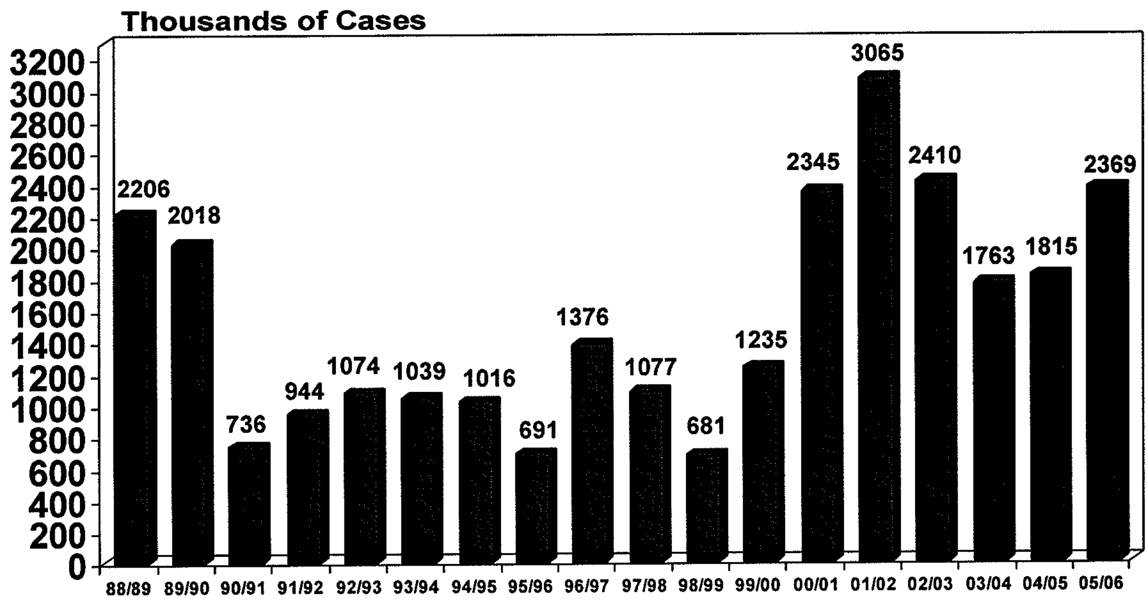


U. S. Canned Peach Market Segments
2005 – 2006 Marketing Year

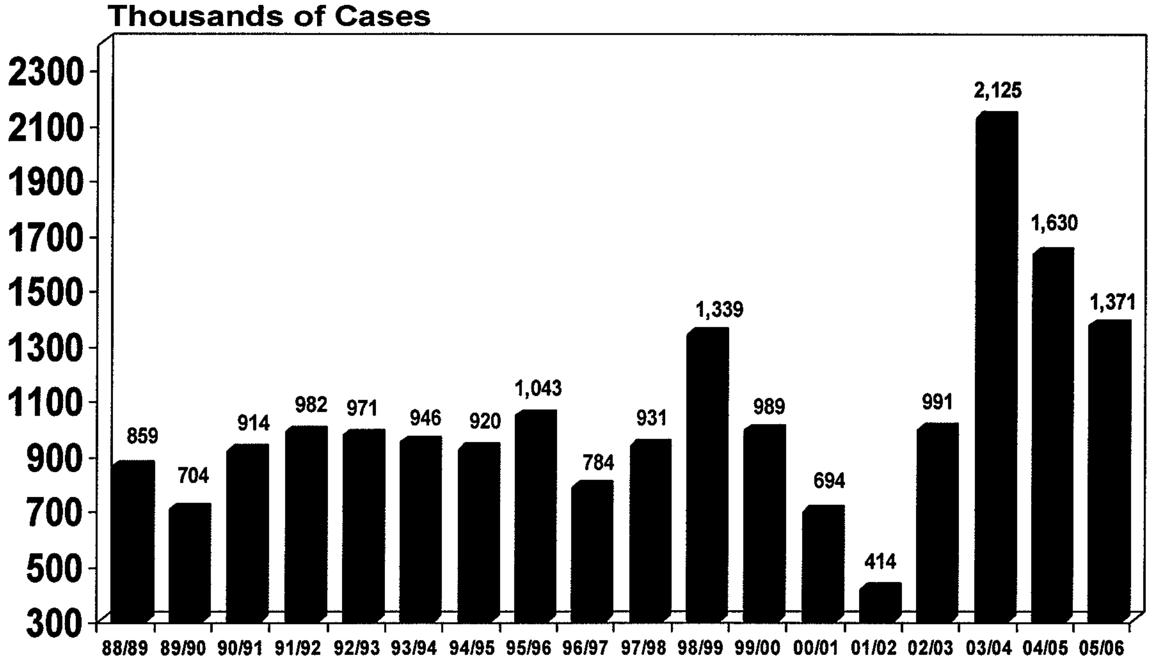


Total Sales: 17,750,000 Cases

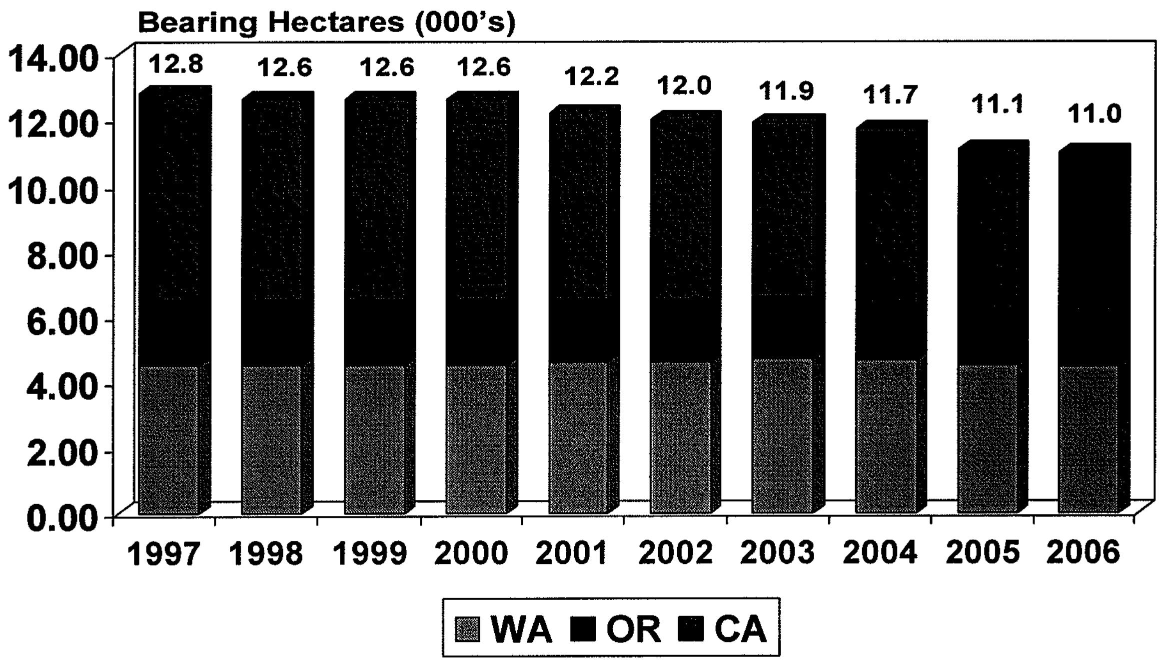
U. S. Canned Peach Import Trends
1989 -2006



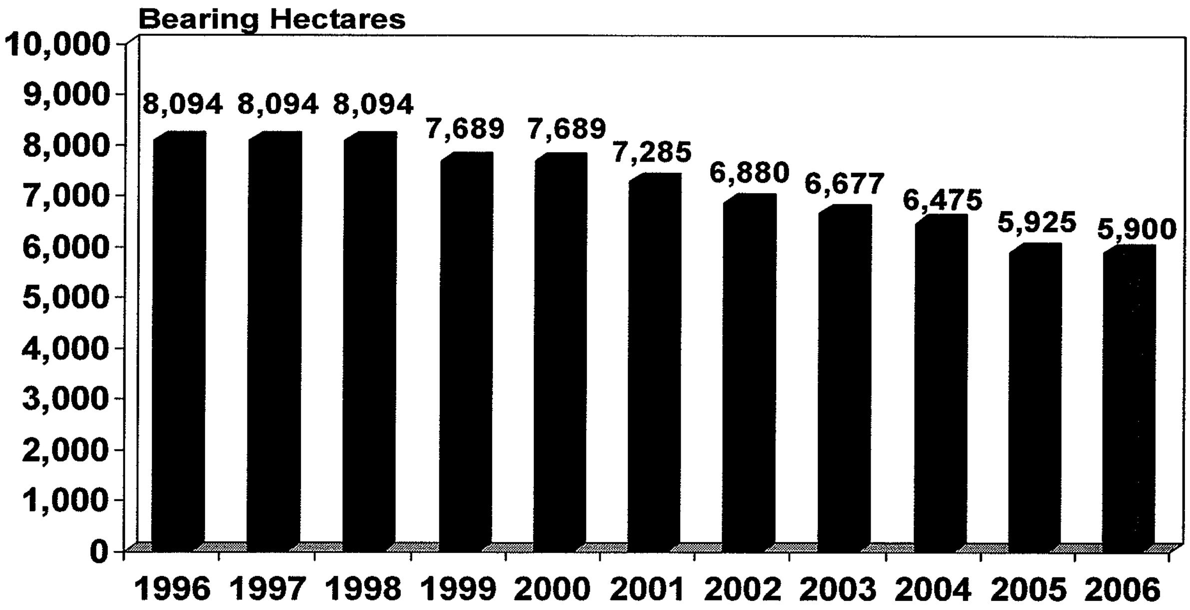
U. S. Canned Peach Export Trends
1989 - 2006



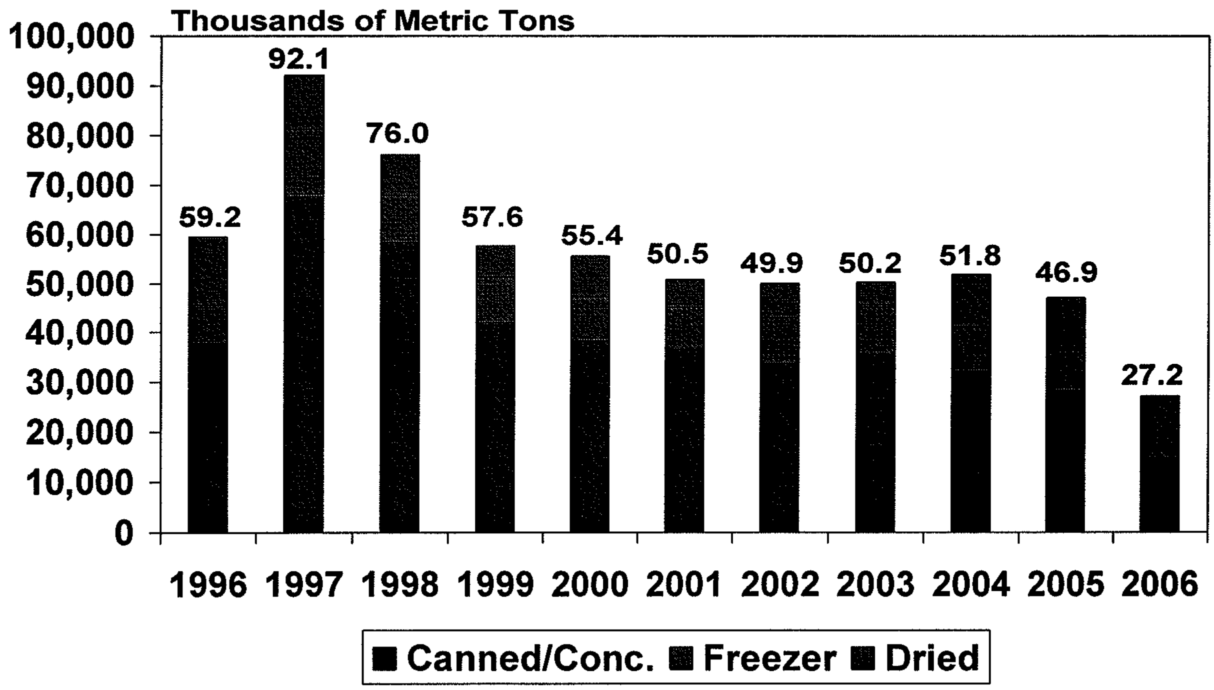
West Coast Bartlett Pears
Bearing Hectare Trends
1997 - 2006



California Apricots
Bearing Hectare Trends
1996 - 2006



California Apricot Processing Trends
1996 - 2006



Australia

Report presented on behalf of the Canned Fruits Industry Council of Australia.

Background

The Canned Fruit industry in Australia is based in the southern states of the country, with Victoria accounting for 90% of production.

The Canned Fruits Industry Council of Australia is the peak industry organization which represents both growers and the canner.

There are three growing regions in Australia;

- Goulburn – Murray Valleys, Victoria,
- Riverland, South Australia,
- Murrumbidgee Irrigation Area, New South Wales.

Approximately 320 growers supply deciduous fruit to the canner.
Prior to 2002 the two major canners were SPC and Ardmona Foods. In early 2002 these two merged to become SPC-Ardmona Limited. In early 2005 SPC-Ardmona became a subsidiary of Coca-Cola Amitil. (CCA)

Current situation

The Canned Fruit industry in Australia, in the 2006-2007 season has once again suffered from weather with the impact of frost on top of drought. It was hoped that the Industry would be able to recover in 2007.

Peach growers have been affected by 3 seasons of low production, following on from the drought of 2002/03, frosts of 2004, rain in 2005 and a the lower than expected crop of 2006.

The 2007 frost has reduced the pear crop by about 16% as well as major damage to the fruit resulting in up to 45% of some pear crops being downgraded to juice. The damage in peaches varied widely up to and including total crop losses, with overall losses estimated at 25%.

Production

During the 1990's production increased from new plantings and higher yields. Plantings have now stabilised or are slowly declining for canning pears. The Goulburn Valley is where 90% of production occurs.

Seasonal and climatic factors have affected production in recent years, including the worst drought in over 100 years.

The record low water allocations on the Goulburn irrigation system (28%) has meant growers have had to purchase up to 80% of their water on the temporary market at very high prices. This has meant that growers have incurred extra water costs ranging from $50 to $80 per ton of fruit sold as canning. Although the Murray system had 95% allocation, most growers have had to purchase additional water, due to the long hot season.

The outlook for 2008 at this stage is not good with major storages expected to be close to empty. The consequence of these events has been reduced returns and higher costs leading to many growers struggling financially.

The continuing resources boom in Australia has increased the pressure on the US$ A$ exchange rate which is now at a 17 year high of just over $1 to 80c US.

The initiation of free trade talks by the Australian Government with China, are of concern to our Industry especially if the outcome resembles that of the US free trade agreement. However it would seem that progress will be very slow.

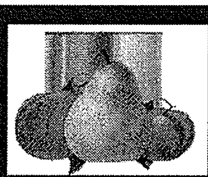
The CIFCA supported research project into improved canning peach varieties, has reached the stage where the first orchard field trails have yielded fruit. It is expected that some potential new varieties can be identified in the short term.

With climate change now obvious, varieties with lower winter chill requirements are being identified.

SPC Ardmona is at the forefront of new innovation in packaging and the development of new products and has established the 1 Kg fridge pack as the main consumer pack for domestic sales.

SPC-Ardmona is continuing to invest in the latest processing technology in order to remain an efficient producer of canned fruit.

Canned Fruits Industry Council of Australia

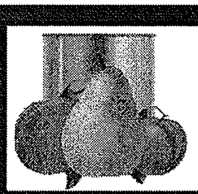


TOTAL AGRICULTURAL PRODUCTION OF DECIDUOUS FRUITS (All varieties in Tons And Hectares)

Years / Products	UNIT	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007 (Estimated)
PEACHES	MT	60,300	42,000	64,000	60,150	48,700
	HA	1,863	1,895	1,890	1,887	1,897
PEARS	MT	80,100	82,500	85000	86,840	72,900
	HA	1,634	1,618	1,618	1,670	1,649
APRICOTS	MT	12,600	1,950	12,300	10,210	5,770
	HA	431	431	424	421	410

NOTE.For example season 205/2006 indicate production available for canning for the year 2006

MT: Metric Tons, HA: Hectare



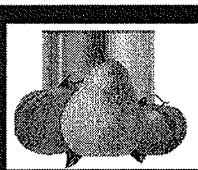
Canned Fruits Industry Council of Australia

AGRICULTURAL PRODUCTION OF DECIDUOUS FRUITS VARIETIES FOR THE CANNING INDUSTRIES (MT)

Products \ Years	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007 (Estimated)
PEACHES	55,842	38,500	58,000	52,211	42,841
PEARS	58,730	55,000	57,000	50,860	46,980
APRICOTS	9,824	1,421	10,500	7,040	2,928

NOTE:For example season 205/2006 indicate production available for canning for the year 2006

MT: Metric Tons



Canned Fruits Industry Council of Australia

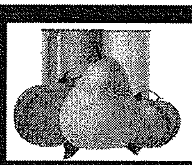
AMOUNT OF FRESH FRUIT CANNED MARKETING YEAR (MT)

Products \ Years	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007 (Estimated)
PEACHES	52,647	36,200	48,040	47,735	37,985
PEARS	50,730	47,500	52 ,747	42,606	36,000
APRICOTS	7,623	1,019	8,850	4,785	2,192

Marketing year: South Hemisphere April to March. North Hemisphere September to August.

MT: Metric Tons

Canned Fruits Industry Council of Australia



TOTAL CANNED PRODUCTION IN BASIC CARTONS (24 Cans / 1 Kg)

Products \ Years	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007 (Estimated)
PEACHES	2,728,296	1,343,501	1,510,839	1,447,036	1,118,600
PEARS	1,682,308	1,179,560	1,118,637	922,830	767,900
APRICOTS	631,263	140,707	654,015	356,961	171,195
MIXED FRUITS	1,782,742	1,809,549	2,460,811	2,220,135	1,843,950

Marketing year: South Hemisphere April to March. North Hemisphere September to August

Canned Fruits Industry Council of Australia

EXPORTS OF CANNED PRODUCTS IN TONS (MT)

Products \ Years	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007 (Estimated)
PEACHES	18,330	13,992			
PEARS	23,136	24,599			
APRICOTS	1,333	807			
MIXED FRUITS	14,040	12,659			

Marketing year: South Hemisphere April to March. North Hemisphere September to August

MT: Metric Tons

Discussion

Lengthy discussion occurred on the relative costs of labour between the various countries.

South Africa

- 35 % of total growing costs
- Factory labour rate US$2.85 - $3.00 per hr
- Orchard rate approx ½ factory cost

Argentina

- Factory rate US$ 3.50 per hr.
- Orchard rate US$2.50 per hr.
- Labour accounts for approx 55% of orchard costs.

Chile

- US$3.10 - $3.50 per hr factory
- US$2.30 - $2.50 per hr Orchard
- Labour about 60% total orchard costs.

Spain

- €10 per hr for factory
- €7 per hr for farm workers

Greece

- €6.2 – €6.3 per hr for factories
- Orchards rate are approx 60% of the factory rate

USA

- Labour in California is $10.00 per plus social service benefits equals about $13.00 per hr

Australia

The current Australian rate for orchard labour equates to approx US$ 16.00 - $17.00 per hr including SGL which is the highest of all the producing countries.

April 15-19, 2007
Sacramento, CA

8th World Canned Deciduous Fruit Conference

April 15 – 19, 2007
Sacramento, California

Sunday, April 15	
08:00 – 18.00	Participants arrived at Embassy Suites Hotel
17.30 - 19.30	Welcome Cocktail Reception at Hotel
Monday, April 16	
09:00 – 09:15	Rich Hudgins, Opening Remarks
09:30 – 12:00	Country Reports
12:00 - 14:00	Lunch
14:00 - 15:30	Country Reports
16:00 - 17:00	Discussion of Canned Fruit Promotion Efforts - image Fresh vs Processed – Nutrition Message
17:45 – 21:00	Cocktail Reception & Conference Dinner
Tuesday, April 17	
08:45 – 11:00	Travel to Yuba City – Tour Peach Orchard – Sarb Johl
11:00 – 13:00	Lunch
13:30 - 14:15	Tour Mechanical Harvester Manufacturer – Kilby
Wednesday, April 18	
07.:45 - 10:00	Travel to Modesto to Rour Del Monte Distribution Center
10:45 - 11:45	Tour Seneca Foods, Modesto Plant
12:15 - 13:30	Lunch
14:30 - 15:30	Tour Pear Orchard and Packinghouse – Doug Hemley
18:00 - 21:00	Reception & Dinner California State Railroad Museum
Thurday, April 19	
08:30 - 10:30	Closing General Session – Dr Christine Bruhn, Department of Food Science and Technology, U.C. Davis
11:15	Trip to U.C. Davis/Sanfrancisco
12:00 – 13:30	Lunch
15:00 - 17:00	Free time in San Francisco
17:15 - 19:30	Dinner Cruise on San Francisco Bay
19:30 hrs	Return to Sancramento
Friday, April 20	Departure

Contents Page

The information gained from this tour has been presented through grower association nights and committee meetings. The information has been of valuable assistance in joint industry and Government discussions with other non-European producers of canned fruit. These discussions will help in developing strategies for future marketing directions.

Acknowledgements

The Study Group wishes to gratefully acknowledge the contribution made by the Horticulture Australia Ltd towards the cost of the tour.

The contribution by all members of the touring party enable a good cross section of information to be obtained by a group of leading Australian Fruitgrowers and canners.

Attendees –

Cobram - Ivan Routley
Doug Brown
Peter Kemp