



2000/2001 Canadian Fruit Situation and Trends (Including apples, tree fruits & berries)

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Agriculture & Agri-Food Canada

Market Industry & Services Branch

<http://www.agr.ca>

Canadian Fruit Situation

According to the 1996 Census (to be updated in 2001), there were 8,282 Canadian farms reporting tree fruit production. Of that total, 86% reported apple production; 36% reported pear production; 34% reported plums/prune production; 31% reported sweet cherry production; 13% reported sour cherry production; 23% reported peach production; and, 16% reported apricot production.

Canada's area of production of apples continues to decrease, dropping to 27,242 hectares in 2000 from 31,226 hectares in 1996, and from 34,454 hectares in 1991. However, new technology and pruning practices have allowed producers to increase tree density and production. Within the tender fruit category, apricots and peaches as well as plum and prune production capacities have been slowly eroding, as these crops have decreased both in acreage and number of trees over the past five years. While on the other hand, the area of production of grapes has increased 39% in the last five years to reach 8,336 hectares in 2000.

In terms of numbers of farms in the berry category, 1996 Census figures showed that strawberry farms were 40% of the category with 3,238 farms representing 6,761 hectares under cultivation. In terms of area, blueberries represented 63% (35,802 hectares) of the berry sector in 1996. In 2000, Canadian strawberry area was reported at 4,937 hectares, a decrease of 6% from 1999. For 2000, total blueberry area decreased 5% to 35,817 hectares while cranberry area also decreased going from 2,616 hectares in 1999 to 2,558 in 2000, a 2% decrease. Increases in area for blueberries and cranberries in the 1990's has taken place mainly in the province of Quebec.

1. Apples

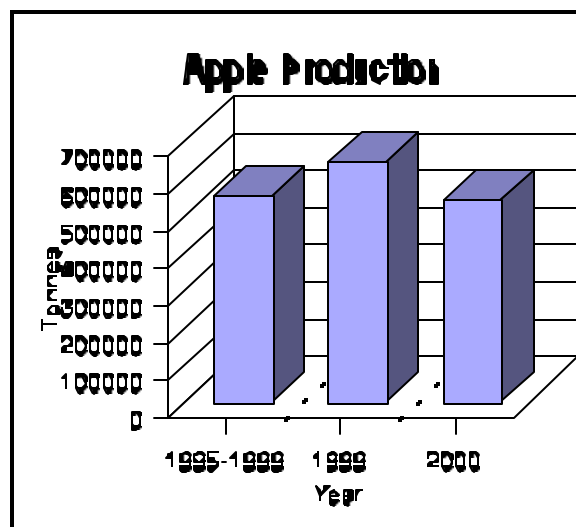
(see [Table 1](#) to [5](#))

The 2000 Canadian apple production is reported at 542,859 metric tonnes representing a 16% decrease from 1999 (645,460) and a 2% decrease from the 5 year average (1995 - 1999). The decrease is primarily due to reduced production in Ontario and Quebec while British

Columbia (B.C.) witnessed a slight rise in production from 1999.

Farm gate value in 2000 amounted to \$186 million, down 10% from 1999 (\$207 million) and up 3% from the five year average (\$181 million).

Production in B.C. increased 3% to 136,085 metric tonnes in 2000 from a year earlier, but was still down 7% from the five year average. Ontario and Quebec both experienced generally wet and variable weather conditions in 2000, resulting in production being down 26% and 13% respectively from the previous year's excellent crops. Nova Scotia's 2000 crop was down 8% from the 1999 crop, but up from the drought reduced crops in 1997 and 1998. New Brunswick's production



was up 7% over 1999 and up dramatically over the drought reduced crop of 1998.

McIntosh (36%), Red Delicious (14%) and Spartan (8%) are the major varieties produced, followed by Empire and Idared, each representing about 7% of total Canadian production.

In recent years, a large number of newer apple varieties such as Gala, Fuji, Braeburn, Jonagold and Honeycrisp have appeared on the Canadian market. Grower prices for these newer varieties has moderated significantly in the past year in response to rising availability. In addition, apples must also compete for limited retail shelf space with not only bananas and oranges, but more exotic fruits from around the world.

Storage Holdings & Utilization

With respect to the 2000 crop, total storage holdings as of November 1, 2000 were 241,674 tonnes, an 8% decrease from the 263,614 tonnes in storage the previous year at the same time. On a provincial basis, Ontario had a 16% decrease, B.C. a decrease of 6% while Quebec and the Maritimes were very similar to the year earlier at the same time. On November 1, 2001, Ontario held the largest share of inventories with 38%, followed by B.C. with 28%, Quebec 24% and Atlantic Canada 10%.

Export Trade

The volume of Canadian fresh apple exports for the first five months (August - December) of the 2000-2001 crop year were down by 11% to 35,099 tonnes as compared to the 1999-2000 crop year for the same period. However, the value of exports for the first five months of the 2000-2001 crop year decreased by only 3% to \$29 million, reflecting a higher value per tonne.

For the first five months of 2000-2001 crop year, exports to the U.S. and to the U.K. were down by 30% and 45 % respectively, while exports to the Philippines resulted in an increase of 110%. Exports to Mexico were virtually the same as the previous year at the same time.

Total Canadian apple exports were valued at \$55 million for the 1999-2000 crop year, virtually the same as the previous crop year and 4% below the five year average (1995/1996 - 1999/2000). During the past four years, just over one-half of all Canadian apple exports originated from British Columbia.

For the 1995 to 1999 period, exports of Canadian apples represented approximately 15% of total production. Canada has exported apples to over 25 countries in the past few years with the most commonly exported varieties being McIntosh and Red Delicious. Canada's ten major export markets have shifted significantly over the last five years. While the United States, the Philippines and the

United Kingdom remain in the top three, other countries in Asia-Pacific, the Caribbean and now Mexico, have been moving in and out of the remaining spots.

Canada is gaining market share in Mexico after having been out of the market in 1995 and 1996 due to changes in Mexican phytosanitary requirements. Canadian apple exports to Mexico continue to be affected by changes or decisions regarding provisional import permits which are needed for the importation of Canadian apples. These and other changes will likely continue as a stronger market is developed for Canadian apples in Mexico.

In Europe, Canada exports mainly to the United Kingdom. As for Asia, the value of Canadian exports has fluctuated widely in recent years due to the downturn of the Asian economy. During the first five months of 2000-2001, exports appear to be returning to the Philippines and Indonesia, but lagging behind in Taiwan and Hong Kong.

Imports - Fresh Market

Canada has imported fresh apples from about 25 countries in recent years, with the lead countries of origin including the U.S., New Zealand, South Africa, Chile and Argentina. Approximately 80% of all apple imports originate from the U.S., while New Zealand, South Africa and Chile share the remaining 20% almost equally.

For the 1999-2000 crop year (latest available) the value of apple imports decreased 5% to \$117.7 million from 1998-1999 (\$124.4 million) and was down 2% from the five year average. Import volumes for the first five months of 2000-2001 (August - December) are up 14% compared to the same time period for the 1999-2000 crop year. U.S. import volumes for the first five months of 2000-2001 are up a significant 23% compared to 1999-2000.

The value of imports in crop year 1999-2000 represents 2.2 times the value of exports. New Zealand increased its value of imports by 11% while decreases were evident from Argentina (-60%), South Africa (-30%), Chile (-5%) and the U.S. (-5%).

It should be noted that a change in Harmonized System (HS) codes was implemented for the 1998-1999 crop year, and thus import numbers may vary from previous

years as apples are now classified by end use (i.e. fresh market vs. fresh for processing) and not simply “fresh apples in their natural state.”

In terms of quantity, there were approximately 60% more apples imported than exported during the 1999-2000 crop year. During the 1996-1997 crop year Canada only imported about 4% more apples than it exported. Generally, Canada imports between 25% and 35% more apples than it exports.

Canada imports the following apple varieties: Granny Smith, Red Delicious, Golden Delicious, and to a lesser extent Fuji, Gala, Braeburn and McIntosh. In 1999-2000, 76% of the apples were imported from the United States, 10% from New Zealand, 7% from Chile and 6% from South Africa. New Zealand was the only major importer to show a year over year increase.

Imports of Fresh Apples for Processing

As of January 1, 1998, Canada is able to track import volumes and values of fresh apples by variety entering Canada for processing (juice, peelers, concentrating). The total quantity of fresh apples imported for processing in 2000 equaled 40,090 tonnes, an increase of 9% over 1999. The 2000 imports were valued at \$43.9 million, up 15% from the previous year, indicating an increase in the value per tonne. Approximately 80% of the apples were imported from the United States, with the remainder from Chile and South Africa. (A reminder that these statistics are based on calendar year and not crop year).

Domestic Programs and Policies News

The apple industry, in cooperation with Provincial Extension Specialists and officials at the Pest Management Regulatory Agency (PMRA), continue to develop an Integrated Pest Management Program strategy. Integrated Pest Management (IPM) is a process that uses biological, cultural and chemical measures to control pest and disease pressures. Producers continue to adapt their agricultural management practices to respond to environmental concerns, reduce costs of crop protection materials and address pest/disease resistance concerns. The framework for the program has also been designed to be transferable to other tree fruit crops.

British Columbia's fruit growers have initiated an Integrated Fruit Production (IFP) program called “Growing

With Care” and other provinces are in the process of implementing IFP for their tree fruit industries. IFP is defined as the economical production of high quality fruit which gives priority to ecologically sound methods, and minimizes side effects and the use of agricultural chemicals, thereby protecting the environment and human health.

A Canadian Partners in Quality Program (C-PIQ), modeled after a program in the United States implemented in response to concerns over increased inspection service costs, is being developed as an alternative to hands-on inspection services currently offered by CFIA. Apples are among a number of regulated commodities in Canada having inspection requirements for interprovincial and international movement. Apple packing houses across Canada participated in pilot projects on C-PIQ during the last crop year. The program will provide industry with greater flexibility in shipping apples without any compromise in quality of the product and should help reduce costs.

A successful voluntary Code of Practice, developed by the Canadian Food Inspection Agency (CFIA) for the manufacture of unpasteurized fruit juice/cider, was implemented in 1998. The objective of the Code is to promote the production and sale in Canada of unpasteurized juice/cider that is safe and of the highest quality. The Code sets out recommendations for growing, harvesting, transporting, storing, processing, packaging, and distributing the product. Its aim is to prevent the contamination of juice/cider by pathogenic micro-organisms such as E. coli O157:H7.

On February 8, 2000, the Canadian International Trade Tribunal rescinded the anti-dumping duty imposed on U.S. Red Delicious apples imported into Canada. The Tribunal concluded that dumping is not likely to resume in the foreseeable future. Since February 1995, a dumping duty equal to the difference between the export price and the normal value was applied when the U.S. f.o.b. export price to Canada fell below US\$12.99 per 42 lb box.

The trend towards increased retail bulk fruit marketing has moved the industry to continue a test market for fresh apples moving on an interprovincial and import basis in bulk bins with a net weight of 200 kgs or less.

Canada's apple producers initiated a national apple

promotion in 2000 and plan to develop a national apple industry strategy in 2001. A national apple website was initiated in the summer of 2000 at <http://ats-sea.agr.ca/applecanada/>. The site includes such topics as production areas, associations, suppliers, varieties and consumer information.

The future of the Ontario Apple Marketing Commission is under review.

U.S. Apple Situation

The 2000 U.S. apple crop was estimated at 4.8 million tons, very similar to the 1999 crop and about 8% lower than the record 1998 crop. Washington State, which usually comprises about half of the nation's supply, was estimated to have increased by 16% in 2000, while volumes were down in the Michigan and the Eastern U.S.

Red and Golden Delicious varieties dominate varietal production in the U.S. However, it is forecast that their dominance will begin to decline as newer varieties such as Gala and Fuji gain market share. Higher prices for the Gala and Fuji varieties in the early-to-mid 1990's encouraged producers to invest in extensive plantings of those varieties, particularly in California and Washington. Fuji will shortly replace Granny Smith as the third most popular apple variety in the U.S.

On May 22, 2000, the U.S. International Trade Commission ruled that imports of Chinese apple juice concentrate were causing economic harm to US producers. This resulted in the US Department of Commerce levying 52% tariffs on most imports of Chinese concentrate.

A \$100 million (US) Market Loss Assistance program for the 1998 and 1999 crops was announced by the US federal government in the fall of 2000.

U.S. Storage Holdings

Total U.S. storage holdings on November 1, 2000 were 6,347,853 ('000 lbs) up 3% from the November 1, 1999 figure of 6,165,252 ('000 lbs). Washington State holdings were up 12% over the November 1, 1999 figure.

World Market

Preliminary world apple production for 2000 is estimated to be 60.1 million metric tonnes (MT), an increase of 4% over last year's output. World apple exports are forecast at 4 million MT, similar to last year. 2000/2001 estimated production of the world's major producers is shown in table 5. The world apple crop is expected to continue to expand over this decade with most of the increase accounted for by China.

Market globalization and increasing competition require good knowledge of the competitive strengths and weaknesses of different producing countries. It is also important to monitor trends in consumer preferences in order to plan a future strategy for production, distribution and marketing. Newer varieties that shook up the apple market in the 1990's have become so mainstream that their once attractive price premiums have leveled off.

The Canadian apple industry has been facing a number of challenges, including a decline in producer price per pound and an increase in North American and world production. Canada has increased its imports of apple juice concentrate from China and fresh apple imports from countries such as New Zealand, South Africa and Chile. A combination of these factors has caused a decline in the producer price for both fresh and processing apples.

There is a need for the sector to address issues such as market development, research and market access. Market access issues include mainly tariffs and Tariff Rate Quotas (TRQ). These could be raised during the future WTO negotiations. As an example, tariffs for the European Community (EU) are very complex; changing every month during the EU crop season and differing for each apple variety.

In the Americas, apple exports are subject to TRQs or high tariffs. As an example, in Mexico, apple tariffs were set under a TRQ at 10% for under quota and 20% for over quota apples. In 2001, Canada's TRQ is set at 1,407 metric tonnes at 4%. Under the North American Free Trade Agreement (NAFTA), TRQ and tariffs for Mexico will be eliminated by 2003. Tariffs in Argentina are 13% and Venezuela 15%. In addition to these tariffs, there can be consumer and other taxes which vary from 3% to 15%. In Asia, there are tariffs of 50% in Taiwan, 10% in Thailand and 5% in Indonesia.

In 2000, Japan lost its appeal against the US regarding the WTO decision for Japan to eliminate certification for each variety. Japan still requires apple exports to be fumigated and an inspector to be on site during the fumigation. The financial situation appears to be improving in the Asian market where Chinese apples continue to make inroads at the expense of traditional suppliers.

2. Tender Fruit

(see [Table 6](#) & [7](#))

In an average year, domestic production of peaches, plums and nectarines account for about 60%, 17% and 4% respectively of the total Canadian supply of tender fruits. Imports, mostly from the U.S., make up the balance of the supply.

Canadian tender fruit production is concentrated in Ontario (70%) and British Columbia (30%). Area of production for virtually all tree fruits is on the decline in Canada. In part, this is due to the increase in the density of plantings (i.e. more trees - less area), but for some tree fruits, acreage and number of trees are both decreasing. The sour cherry, apricot, peach, and plum and prune sectors are all showing declines. The Canadian decline compares to the world trend where tender fruit area and production have diminished by 60% over the past 25 years.

The sweet cherry market, especially in BC is showing signs of strength as research resulting in later maturing and larger fruit is providing good returns.

Total Canadian production of tender fruit in 2000 totaled 61,497 metric tonnes, down 11% from the previous year and down 8% from the five year average.

In 2000, total Farm Gate Value of tender fruits fell 6% to \$65.5 million from nearly \$70 million the previous year, but was up 11% from the five year average (1995 - 1999).

Per capita consumption of nectarines and plums has increased steadily in recent years, while peach consumption has declined since it peaked in 1994 at 1.93 kgs.

Plum Pox Virus (Sharka) was confirmed in Ontario in late Spring 2000. It is a serious disease affecting production of stone fruit species of the genus *Prunus*

including peaches, nectarines, plums, apricots, almonds and ornamental varieties. The disease is not a threat to human health. (See <http://www.cfia-acia.agr.ca/english/plaveg/hort/ppve.shtml>)

Trade

Imports from the United States dominate the tender fruit market in Canada, accounting for almost 80% of the total imports in the 2000 calendar year. During the Canadian crop year, imports from the U.S. compete directly with Canadian tender fruits; while imports from the southern hemisphere, because of different seasons, arrive in the market when fresh Canadian product is largely unavailable. In 2000, imports from Argentina represented approximately 8% of all tender fruits imported, Chile and South Africa follow with 7.5% and 2% respectively.

Fresh pears (10% of which are destined for processing) account for 38% of the volume of fresh tender fruit imports, followed by nectarines (21%), plums and prune plums (19%), and peaches (13%). Total tender fruit imports were valued at \$211 million in 2000, down 1% from 1999, but up 12% from the five year average.

Pears account for about 60% of Canada's tender fruit exports, followed by peaches, then cherries. In terms of value, tender fruit exports amounted to \$3.1 million in 2000, up 21% from the previous year. The value of tender fruit exports has increased 117% since 1996.

In 2000, Canada produced a total of 61,497 tonnes of tender fruits, while only 1,302 tonnes (2%) of the production was exported. The U.S. (83%) is Canada's main export market, followed by Taiwan with 8%.

Table 7 indicates the balance of trade in tender fruits including apricots, peaches, pears, prunes/plums, sweet cherries, sour cherries, and nectarines. In 2000, Canada was a net importer of tender fruits by a wide margin, importing 124 times the volume exported.

3. Grapes

(see [Table 8](#) & [9](#))

Canadian wineries continue to gain world recognition for the quality of their wines. Geographically, Canada's vineyards lie in the centre of the world's northern

grape-growing belt. British Columbia's four viticultural areas are located at the same latitude as France's Champagne region as well as Germany's Rhine and Mosel regions. Ontario's vineyards are located at the same latitude as those in the south of France.

In 2000, Canada had 8,336 hectares of vineyards, up a significant 39% from 1995. Ontario has the largest area with some 6,313 hectares, 76% of the overall planted acres, followed by British Columbia with 1,827 hectares. In comparison, the European Union has a total area of some 3.5 million hectares in vineyards and the US has 357,222 hectares.

Generally less favourable weather was the story in 2000 for Canadian wine grapes. Ontario experienced cooler and wetter early growing conditions, but an exceptional fall aided quality. Overall production decreased 15% from the previous year. 2000 was the first year that Ontario's delivered vinifera tonnage overtook other varieties. BC's 2000 production also did not fare well, registering a decrease of 40% less than 1999 due to poor weather.

In 2000, Ontario processed 50,599 tonnes of grapes or 13% lower than 1999. Wineries purchased 38,377 tonnes, down 8% from the previous year while purchases from juice processors decreased by almost 22% to 10,496 tonnes. The Ontario harvest of *Vitis vinifera* grapes has more than tripled since 1994 to reach 20,400 tonnes in 2000. The strong demand for high quality Canadian wines sold under the VQA banner is encouraging increased plantings of vinifera grapes and production is expected to continue to increase in future years as these plantings come into production.

In 2000, the annual farm gate value of Canadian grapes was \$62.3 million, down 11% from 1999, but an increase of 24% over the five year average.

The national wine industry, with assistance from Agriculture and Agri-Food Canada is in the process of developing a Canadian appellation system which will boost consumer confidence and sales in both domestic and export markets.

There is an opportunity for increased exports of Canadian icewine, in view of the EU's acceptance in 2000 of Canadian icewine standards.

In 2000, Canadian wine exports increased 60% from

1999 to reach \$9.1 million. Sales to the U.S. and Asia have increased significantly while sales to the United Kingdom have fallen.

Canada is a significant importer of fresh grapes for both table use and home wine making. Imports totaled 157,783 tonnes in 2000 valued at \$303 million. Most of the imports originate from the US (60%) followed by Chile (24%) and Mexico (8%).

4. Berries

(see [Table 10](#) to [13](#))

This industry has increased in area of production by more than 100% over the last 25 years to meet the demand for more fresh and processed products. Over 75% of production is processed to supply more of the market on a year round basis.

The two main provinces of production are Ontario and BC, especially in grapes, raspberries and cranberries. The province of Québec is more specialized in blueberry and strawberry production. Nova Scotia is also a major berry producing province.

Trade

Canada is a net importer of berries, primarily because of its short growing & marketing season. The import/export ratio is about 5:1 in the case of berries. Certain berries show a positive balance of trade, such as fresh and processed blueberries, fresh cranberries and fresh raspberries but Canada is a net importer of fresh and processed strawberries. Canada imports berries mainly from the US, Chile and Mexico.

4.1 Blueberries

Canadian wild blueberries (*Vaccinium angustifolium*) grow on low bushes (less than 20cm high) and the individual berries are smaller than cultivated blueberries which grow on bushes that are more than two metres high.

Wild Blueberries

Production

Canadian wild blueberry production is concentrated in Eastern Canada. In 2000, production reached 37,426 tonnes, down 19% from 1999, due mainly to crop losses in Quebec. The grower price per pound

decreased in 1999/2000 by 8% from the previous year, pushing farm gate value (FGV) to \$56 million, down from \$75 million in 1998/1999.

Trade

Overall, Canada is a net exporter of blueberries. In 1999/2000, total exports of frozen wild blueberries reached 30,191 tonnes valued at \$100 million, up 47% in volume and 55% in value from 1999. Research results indicating positive health benefits from eating blueberries have helped increase demand, particularly in Japan. Japan, Europe (primarily Germany) and the United States are the most significant export markets. Prices increased by 17.6 % over 1998.

International currency fluctuations also played a major role in overseas export markets. Future production can be expected to increase, driven by a good demand from secondary processors such as bakeries for use in muffins, bagels, pies and the dairy sector for use in yogurt and jam manufacturers.

Imports of fresh wild blueberries increased dramatically from 584 tonnes in 1997/1998 to 14,296 tonnes in 1999/2000 with a value of \$18 million. Most of these berries were processed by companies with plants in Canada and the US. Imports of processed wild blueberries were 5,758 tonnes in 1999/2000, an increase of about 3,151 tonnes compared to 1998/1999.

Although wild blueberries are currently enjoying a buoyant market, competition is increasing from frozen cultivated blueberries in other parts of the world. The blueberry sector is encouraged by continuing research showing several health related benefits, particularly antioxidant activity common to the *Vaccinium* family of crops.

Cultivated Blueberries

Production

British Columbia is the major producer of cultivated blueberries in Canada and ranks third after Michigan and New Jersey in North American production. Canadian area of production has been increasing slowly from 1,655 hectares 1991 to 4,245 hectares in 2000.

The expansion in recent years indicates even larger future production but production has varied from year to year due to weather conditions. In 2000, production equaled 24,567 tonnes, a 38% increase over 1999

volumes, while FGV increased by 45% to \$55 million. Strong prices and a demand fueled by positive health claims were also positive factors for the cultivated industry.

In contrast with the wild blueberry sector, approximately 50% of production is sold on the fresh market and the remainder is processed for use by secondary processors in the bakery, juice and dairy industries.

Trade

1999/2000 exports of fresh cultivated blueberries (mainly from BC), were 6,255 tonnes valued at \$21 million compared to 5,307 tonnes worth \$16.8 million in 1998/1999.

During the past four years, exports of frozen cultivated blueberries have risen from 5,853 tonnes valued at \$13 million to 8,901 tonnes worth \$23 million in 1999/2000, destined primarily for the US market and to a lesser extent, to Japan.

Imports of fresh blueberries, (mainly from the US) were valued at \$5.6 million in 1999/2000 compared to \$5.3 million in 1998. Imports of frozen cultivated blueberries were valued at \$3.8 million in 1999/2000, a drop of over \$20 million from 1998/1999.

4.2 Raspberries

British Columbia (BC) is by far the largest producing province, with about 86% of Canadian production. In 2000, Canadian production decreased slightly from 16,000 tonnes in 1999 to 14,000 tonnes in 2000; a decrease of 8%.

Canadian area of production has decreased slightly over the last few years with 2000 area reported at 2,958 hectares; a decrease of 2% over the area reported in 1999. Approximately 2,000 hectares of that area is in BC and the balance is in the eastern provinces; mostly in small operations. Annual FGV peaked in 1994 at \$42.5 million, then declined until 2000 to \$21 million, down 37% from 1999.

Approximately 76% of BC production is processed whereas in the rest of Canada (mainly Québec and Ontario), production is marketed entirely in the fresh state.

Canada is a net exporter of fresh raspberries. Exports of fresh raspberries (exclusively from BC) peaked at \$19 million in 1994/1995 (6,519 tonnes). Export values and volumes have been on a steady decline since 1994/1995. Exports were reported at \$5 million in 1997/1998 (2,985 tonnes) and \$8 million in 1999/2000 (4,419 tonnes). Most of these fresh raspberries are destined to the US, mainly for processing, while a small amount is exported to Japan. Imports of fresh raspberries from the US and Chile continued to grow slowly and reached \$11 million in 1999/2000.

4.3 Strawberries

Strawberries traditionally have the second highest farm gate value (FGV) for fruit (\$48 million) after apples. In 2000 they were also exceeded by grapes. Annual FGV has remained flat since 1995 at around \$50 million.

Strawberries are commercially grown in every province with Québec (38%) and Ontario (30%) having the largest production followed by British Columbia. Area of production slowly increased from 1991 to 1995, but retracted to about 5,000 hectares in 1996 and has remained constant. There is very little processing of Canadian strawberries.

Canada's imports of fresh and processed strawberries have tended to increase steadily reflecting the increased use of fruit products by consumers. Fresh imports were valued at \$115 million in 1999/2000, a sharp increase of 15% over 1998/1999. Processed strawberry imports reached a record high of \$30 million in 1998/1999, but decreased to \$27 million in 1999/2000. Both fresh and processed imports originate mostly from the US and Mexico. Higher prices were noted particularly for fresh imports.

Canadian exports of fresh strawberries were \$1.0 million in 1999/2000, while processed exports were valued at \$2.1 million.

4.4 Cranberries

The future of cranberry production in Canada appears promising as a result of nutritional and medical studies showing promising health benefits. However, over production in Canada and the US in recent years has resulted in a drastic price drop and a cause of great concern in the short term..

British Columbia (BC) harvests 66% of Canadian production. BC's FGV decreased by 37% from 1999 to 2000. In response to demand, Canadian production has increased by over 40% in the five years leading up to 1995, and declined to 28,550 tonnes in 2000. FGV decreased to \$22 million in 2000 from \$36 million in 1999 (see table 13).

The majority of Canadian production is exported in the fresh form to the US where it is sold to major processors. The US has also experienced a rapid growth in production, up 17% in 1999 alone. Prices have fallen from \$US 66/cwt to less than \$US 30 since 1997.

Canada is a net exporter of fresh cranberries. Exports of fresh cranberries decreased from \$87 million in 1998/1999 to \$69 million in 1999/2000 while volume increased from 38,075 tonnes to 42,215 tonnes. Imports also increased by \$2 million. Imports of cranberry juice and juice mixtures are increasing but are difficult to determine by fruit type.

5. Consumption

Over the last 30 years, the consumption of fruit (fresh equivalent) went from 88 kg per capita (KPC) in 1969 to 124 KPC in 1999, a 40% increase. As people became increasingly more health conscious, consumption of fruit juice went from 9 to 25 KPC during the same period. In the mean time, consumption of fresh fruit increased by 10 KPC to 64 KPC and canned products continued a downward slide from 8 KPC in 1969 to 5 KPC in 1999. Continued improvements in packaging, transportation and distribution have all contributed to the increase in per capita consumption of fresh and processed fruits and vegetables.

The favourite fresh fruit of Canadians are bananas and apples.

6. Opportunities or Challenges

- Favourable exchange rates should help Canadian exporters maintain market share in foreign markets.
- Liberalization of trade under the WTO should help

Canadian exporters to continue to develop offshore markets.

- Canada's shorter growing season reduces opportunities for market expansion into offshore markets. Strong competition from earlier maturing U.S. crops tends to set the price and generally impacts on greater growth.
- Prompt action to control the spread of Plum Pox Virus (Sharka) in Ontario in 2000 should minimize any negative impacts on the marketing of peaches, nectarines, plums and apricots from Ontario.
- Favourable media reports on the health benefits of eating fruits and vegetables will continue to encourage future sales.
- Increased competition from Chinese fresh apples in Asian markets is expected to increase in coming years and put pressure on prices.
- High oil prices and signs of a global economic slowdown will raise input costs and may cause consumers to shift purchasing habits.
- Consolidation in the retail food sector and the increased popularity of large warehouse superstores are forcing producers, packers and distributors to reassess their marketing strategies.

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FCR = Value based on a "calendar year"

FGV = Value calculated on any given "crop year".

Horticulture and Special Crops Division

Revised June 2001

Dave Pearen//John Vandenberg/ Erica Burafuta

APPLE STATISTICS

Table 1: Apple Production and Farm Value By Province				
Province	5 Yr avg (1995-1999)	1999	2000	%Change 2000 vs1999
Production (tonnes)				
Canada	551,739	645,460	542,859	-16
British Columbia	145,613	132,742	136,085	3
Ontario	262,180	331,349	244,931	-26
Quebec	91,009	124,559	108,590	-13
New Brunswick	4,376	4,763	5,080	7
Nova Scotia	48,208	51,710	47,527	-8
Farm Value (\$ '000)				
Canada	180,911	206,783	185,557	-10
British Columbia	53,296	50,915	48,410	-5
Ontario	83,704	101,525	80,700	-21
Quebec	29,033	38,805	37,870	-2
New Brunswick	2,041	2,100	2,305	10
Nova Scotia	12,636	13,200	16,000	21
Processed vs. fresh (in 2000) 197,576 tonnes /542,859 tonnes (36%)				

Source: Statistics Canada

Table 2: Fresh Apple Exports By Province (Crop Year)			
Province	5 Year Avg (1995 - 1999)	1999 -2000	2000-2001 (Aug-Dec)
Value (\$ '000)			
Canada	57,148	54,730	29,180
British Columbia	36,213	30,323	21,607
Ontario	14,366	18,434	5,461
Quebec	5,637	5,355	1,678
Quantity (tonnes)			
Canada	82,895	67,465	35,099
British Columbia	41,908	28,360	24,248
Ontario	29,241	29,656	7,640
Quebec	9,849	8,780	2,686

Source: Statistics Canada

Table 3: Canada's Major Apple Export Markets (Crop Year)			
Countries	5 Year Avg (1995 - 1999)	1999 - 2000	2000-2001 (Aug - Dec)
Value (\$ '000)			
All Countries	57,148	54,730	29,180
United States	34,745	35,704	17,167
Philippines	7,062	3,360	5,056
United Kingdom	6,033	9,701	2,238
Mexico	1,423	2,544	1,893
Quantity (tonnes)			
All Countries	82,895	67,465	35,099
United States	57,392	46,688	19,883
Philippines	8,746	3,850	6,197
United Kingdom	6,250	10,033	2,420
Mexico	1,525	2,958	2,948

Source: Statistics Canada

Table 4: Canada's Major Sources of Apple Imports (Crop Year)			
Countries	5 Year Avg	1999-2000	2000-2001 (Aug-Dec)
Value (\$ '000)			
All Countries	119,921	117,688	45,068
United States	86,958	84,019	41,081
New Zealand	12,716	15,549	1,893
South Africa	10,309	7,357	1,283
Chile	8,942	9,537	97
Argentina	610	649	0
Quantity (tonnes)			
All Countries	112,334	107,423	43,285
United States	88,386	81,673	40,173
New Zealand	8,451	10,574	1,350
South Africa	7,435	6,298	1,033
Chile	7,278	7,923	82
Argentina	486	521	0

Source: Statistics Canada

Table 5: World Apple Producers Production in Metric Tonnes			
	1999-2000	2000-2001	% change
United States	4,799,000	4,843,000	1
Canada	455,000	500,000	10
Argentina	828,800	828,800	0
Chile	1,165,000	750,000	-36
Brazil	944,812	1,160,475	23
South Africa	618,388	650,131	5
New Zealand	504,000	482,000	-4
China	20,811,421	22,889,781	10
European Union	10,168,353	9,249,953	-9

Source: FAO Statistics

TENDER FRUIT STATISTICS

Table 6: Tender Fruit Production and Farm Value				
Products	5 Yr Avg (1995-1999)	1999	2000	% Change (2000 vs 1999)
Production (tonnes)				
Canada	66,550	69,064	61,497	-11
Pears	17,738	19,934	15,072	-24
Cherries	10,770	13,159	11,107	-16
Apricots	1,218	787	1,318	67
Nectarines	n/a	3,182	4,196	32
Plums & Prunes	3,583	3,342	2,602	-22
Peaches	33,241	28,660	27,202	-5
Farm Value (\$ '000)				
Canada	58,936	69,398	65,580	-6
Pears	11,037	12,941	9,482	-27
Cherries	12,816	18,155	19,256	6
Apricots	1,490	1,490	1,265	-15
Nectarines	n/a	3,630	4,770	31
Plums & Prunes	4,448	3,707	3,242	-13
Peaches	29,145	29,475	27,565	-6

Source: Statistics Canada

Table 7: Tender Fruit - Imports & Exports				
	5 Year Avg (95-99)	1999	2000	% Change 2000vs1999
Quantity (tonnes)				
Exports	1,318	1,375	1,302	-5
Imports	141,721	164,042	161,509	-2
Value (\$ '000)				
Exports	1,784	2,593	3,127	21
Imports	188,411	214,414	211,442	-1

Source: Statistics Canada

Table 8: Canadian Grape Production and Farm Value				
	5 Yr Average (1995-1999)	1999	2000	% change (2000-1999)
Production (tonnes)				
Canada	61,646	78,642	60,940	-23
Ontario	51,814	61,051	49,895	-18
British Columbia	8,993	16,831	10,074	-40
Farm Value (\$'000)				
Canada	50,076	70,100	62,280	-11
Ontario	37,983	49,530	44,120	-11
British Columbia	11,383	19,435	16,875	-13

Source: Statistics Canada

Table 9: Fresh Grape Exports & Imports				
	5 Year Avg (1995-1999)	1999	2000	% Change (2000-1999)
Quantity (Tonnes)				
Imports	137,147	136,672	157,783	15
Exports	3,508	5,910	5,069	-14
Value (\$'000)				
Imports	258,932	280,326	303,376	8
Exports	1,459	2,413	2,015	-16

Source: Statistics Canada

BERRY STATISTICS

Table 10: Canadian Blueberry Production							
	1995	1996	1997	1998	1999	2000	% change 2000 vs 1999
Production ('000 tonnes)							
Nova Scotia	14	13	10	10	19	20	5
Quebec	7	12	14	7	20	11	-45
New Brunswick	4	5	5	5	7	6	-14
British Columbia*	14	17	19	15	15	22	47
Canada	39	47	41	40	64	62	-3
Value (\$million)							
Quebec	9	19	18	2	35	21	-40
Nova Scotia	12	21	14	15	30	26	-13
New Brunswick	4	8	5	8	12	10	-17
British Columbia*	14	18	20	19	31	49	58

Source: Statistics Canada

* Cultivated

Table 11: Raspberry Production & Farm Value							
	1995	1996	1997	1998	1999	2000	% change 2000vs 1999
Production ('000 tonnes)							
Canada	18	15	17	15	16	14	-8
British Columbia	15	12	14	13	13	12	-6
Quebec	1	2	1.4	1.3	1	1	-17
Value (\$million)							
Canada	39	31	27	23	33	21	-37
British Columbia	30	20	16	14	24	13	-47
Quebec	5	7	5.6	4.4	5	4	-6

Source: Statistics Canada

Table 12: Canadian Strawberry Production & Farm Value							
	1995	1996	1997	1998	1999	2000	% change 2000 vs 1999
Production ('000 tonnes)							
Canada	36	29	27	28	28	24	-14
Quebec	10	10	11	10	10	9	-10
Ontario	15	8	9	9	10	7	-30
Farm Value (\$million)							
Canada	69	50	49	50	50	48	-3
Quebec	17	15	16	15	16	15	-6
Ontario	28	14	17	17	17	17	-

Source: Statistics Canada

Table 13: Canadian Cranberry Production and Farm Value							
	1995	1996	1997	1998	1999	2000	% change 2000 vs 1999
Production ('000 tonnes)							
Canada	24	23	23	33	36	29	-20
British Columbia	24	18	19	25	25	18	-25
Quebec	na	4	na	na	na	na	na
Farm Value (\$million)							
Canada	41	38	45	55	36	22	-40
British Columbia	40	29	36	42	25	9	-64
Quebec	na	8	na	na	na	na	na

Source: Statistics Canada

na: non-available