

Michigan Processing Apple Growers

NEWSLETTER



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A Farm Bureau Market-Action Program

December 9, 2016

2016 APPLE CROP UPDATE

Michigan – The Michigan Processing Apple Growers Marketing Committee met on Monday, December 5 and reevaluated the 2016 apple crop. The committee revised their earlier estimate of 26 million bushels to 28 million bushels. There was a very small amount of fruit left behind because of lack of boxes and/or lack of an outlet. Many growers have stated less desirable processing varieties will most likely be removed over the winter. Overall, growers were very optimistic

New York – The apple crop was re-estimated to be in the mid to upper 20 million bushel range. Hot temperatures and drought conditions caused fruit to be small. Fruit condition also suffered as growers delayed harvest due to undersize fruit. Fresh movement has been good and most storages were filled.

Pennsylvania – The apple crop picked out 20-25% shorter than estimate. Excessive hail, heat and drought in July and August contributed to the shortfall. The extreme weather conditions included 3 1/2" of rain over the first weekend in October.

Virginia & North Carolina – Some blocks of fruit picked out shorter than expected and quality was off. Fruit size was smaller than anticipated due to heat, drought and cell division. Some growers experienced labor shortages at the beginning of harvest.

Washington – The crop has been estimated to be 137 million bushels for fresh with a total crop estimate of 175-180 million bushels. For the most part, harvest was finished mid-November. Juice prices had weakened considerably to \$2-3.00/cwt. Juice prices were expected to remain low through spring because of cheap foreign apple juice concentrate prices.

According to the US Apple Market News, as of December 1, fresh apple holdings were reported at 120.3 million bushels which was 13% greater than a year ago. Total processing holdings were 42.9 million bushels which was 1% more than a year ago.

GREAT LAKES AG LABOR SERVICES (GLALS)

Interest in the GLALS program at the Great Lakes Expo was outstanding. Growers have come to the realization that participating in an H-2A program is inevitable in order to harvest their crops. Space is limited for 2017 so if you are interested in exploring the program, please contact Eligio Larraga, Sales & Field Representative, 517/679-5269 (O), 517/580-9215 (cell) or elarrag@michfb.com.

Additionally, ag employment seminars will be held across the state to help answer your farm employment questions. The dates are:

Detroit – January 11, 2017
Traverse City – January 12, 2017
Grand Rapids – January 25, 2017
Lawrence – January 30, 2017

For more information on the seminars go to www.varnumlaw.com/farmemployment2017

NATIONAL COUNCIL OF AG EMPLOYERS MEETING

The National Council of Ag Employers held its Third Annual Employer Forum on November 30-December 2. Meeting topics included an overview of the 2016 election, navigating the waters of MSPA, FLSA & joint employment, workers compensation, today's labor climate, worker protection standards and 2017 tax changes. Additional workshops were held with members from the Department of Labor regarding H-2A applications, Ag Safety, and the Affordable Care Act. The meeting has been recognized as one of the best in the country and continues to grow every year.



Michigan Processing Apple Growers Division

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FOREIGN APPLE JUICE CONCENTRATE

There has been continued downward pressure on foreign apple juice concentrate prices. According to the *Food Institute Report*, Chinese apple juice concentrate was reported at \$5.50/gallon. However, there have been reports of concentrate being in the \$5.15-5.30/gallon range. European concentrate

USDA BONUS BUY REQUEST

Your association has made a request to USDA for a bonus buy of fresh and processed apples from the 2016 apple crop. USDA is in the process of a market analysis and we are hoping to hear a positive response soon.

WORKER PROTECTION STANDARDS (WPS) OUTREACH SESSIONS

The Federal Worker Protection Standards protects ag workers and pesticide handlers by reducing the risks of injury or illness resulting from contact with pesticides on farms and in forests, nurseries and greenhouse.

In a joint effort between MDARD, MSU, and Michigan Farm Bureau, outreach sessions are scheduled to inform growers of the new requirements. The sessions are scheduled for:

January 10, 2017 1-4:00 pm Clarksville Research Station
January 17, 2017 1-4:00 pm NW Research Station
January 24, 2017 1-4:00 pm SWMREC
January 31, 2017 1-4:00 pm New Era Reformed Church

Sessions are designed to help growers understand the revised standards and what must be done to be in compliance.

Advance registration is required. There is a registration fee of \$25.00 and recertification credits will be offered. All registered participants will receive outreach, training and compliance tools.

Further reports will follow to keep you updated on crop development and industry issues. Contact the sales desk at 1-800-292-2653 if you have any questions.



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