



# Grape Growers of ONTARIO

## Newsletter - Volume 10 - November 2009 Special Edition

*...Dedicated to the Success of Ontario's Grape Growers*

### MESSAGE FROM THE CHAIR

On October 13, 2009 the Government of Ontario announced its plan for the grape and wine industry of Ontario. The Government also reaffirmed its support for the Grape Growers of Ontario and has encouraged the industry to develop sustainable pricing options and improve quality standards for the future. The Grape Growers of Ontario Board of Directors and staff have attended several meetings with industry and government partners and have been analyzing the key aspects of the plan in order to provide support to the grape growers that will encourage the growth of VQA-quality grapes and keep the industry sustainable.

The initial Wine and Grape Strategy Stakeholder Consultation meeting was held on Monday, November 2, 2009 in Toronto. The meeting had a full agenda and many items were discussed, including the Wine Content and Labeling Act, VQA Wine Sale Trends, LCBO Consumer Research, and Grower Support. A meeting with the Ministry of Agriculture, Food and Rural Affairs policy advisors is being scheduled to begin the development of a varietal plan which is essential for determining what transition support is needed as we move forward.

The Grape Growers of Ontario and the Wine Council of Ontario are currently developing their options and analysis for the review on processing grape regulations through the Grapes for Processing Industry Advisory Committee (GPIAC). All industry stakeholders should have received an invitation from the Farm Products Marketing Commission to provide written input or register to participate in one of the following consultation meetings:

Tuesday December 8 , 2009	1 pm – 4 pm	Days Inn, Leamington
Wednesday December 9, 2009	9 am – 12 pm	Casablanca Winery Inn, Grimsby
Wednesday December 9, 2009	1 pm – 4 pm	Casablanca Winery Inn, Grimsby
Thursday December 10, 2009	12 pm – 3 pm	The Waring House, Picton

It is critical that as many growers as possible participate in these sessions as they are a key factor in assisting both GPIAC and Farm Products in completing their discussions. On Friday November 20 the pricing options package was mailed to all growers and processors to review prior to the consultation sessions.

Your Advisory Team is committed to being representative of all its growers and ensuring that the Grape Growers of Ontario remains strong. Please call the Board Office if you have any further questions.

Bill George Jr. - Chair

#### GGO Services

- Grape Research, Pricing & Promotion
- Grape Inspection
- Government & Industry Relations
- Government Lobbying
- Government Policies & Regulations
- Farm Labour Legislation & Program
- Chemical Registration
- Nutrient Management
- Crop Insurance Requirements
- KCMS Code-A-Phone
- Business Risk Management (CAIS & SDRM)
- Weather INnovations Incorporated (WIN)

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## Wines from Niagara-on-the-Lake Chosen as Official VQA Wines for the Legislative Assembly of Ontario

Following the Grape Growers of Ontario's Annual Wine Tasting event at the Legislative Assembly of Ontario on November 3, 2009, Bill George Jr., Chair of the Grape Growers of Ontario, along with Debbie Zimmerman, CEO of the Grape Growers of Ontario, are pleased to announce that two wines from Niagara-on-the-Lake have been chosen as the official wines of the Legislature for 2010.

Bill George Jr., Chair of the Grape Growers of Ontario, extends his congratulations to Marynissen Estates Winery and Joseph's Estate Wines and states that "the Grape Growers of Ontario was once again pleased to host the Annual Wines of the Legislature Wine Tasting event." Marynissen Estates Winery of Niagara-on-the-Lake, Ontario was chosen for its 2007 VQA Cabernet Merlot and Joseph's Estate Wines of Niagara-on-the-Lake, Ontario for its 2008 VQA Pinot Grigio. "The two wines chosen reflect the connection between Ontario grown grapes and the winemakers who craft Ontario VQA wines," say Debbie Zimmerman.



Steve Pohorly (Director - GGO), Kim Craitor (MPP - Niagara Falls), and Steve Fernick (Director - GGO)

Sandra Marynissen, owner of Marynissen Estates Winery indicates that "we are honoured to have our 2007 VQA Cabernet Merlot served as the official red wine of the Ontario Legislature for 2010. Exceptional wines come from exceptional grapes and this is a testament to our hard work. I would like to thank the members of the Ontario Legislature for choosing our wine."

Dr. Joseph Pohorly, President of Joseph's Estate Wines states that, "We are thrilled to have our 2008 Pinot Grigio selected for the Ontario Legislature for 2010." Dr. Pohorly is a pioneer in the Niagara grape growing industry and goes on to say that "the soil in Niagara is ideally suited for growing Pinot Grigio, which is becoming one of the most popular varieties of white wine."

Members of Provincial Parliament gathered to select the Legislative Assembly of Ontario's official red and white VQA wine to be served at official legislative functions. Participants tasted and marked their preferences on a voting ballot to determine which wines would be selected from six Ontario VQA wineries.

***The Grape Growers of Ontario would like to thank all of the wineries who participated in this year's event!***



Steve Peters (Speaker of the House), The 2010 Grape King - Bill Schenck, Steve Pohorly (Director, GGO), Debbie Zimmerman (CEO, GGO), and Joseph Pohorly of Joseph's Estate Wines

## **Proposed Harmonized Sales Tax (HST) Benefits for Ontario's Farmers**

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The 2009 Ontario Budget included a comprehensive tax package that would, when enacted, provide tax cuts for individuals, families and businesses to strengthen the foundation for job creation and future economic growth.

Starting July 1, 2010, Ontario's Retail Sales Tax (RST) would be converted to a value-added tax structure and combined with the federal Goods and Services Tax (GST) to create a single, federally administered Harmonized Sales Tax (HST).

It is estimated that Ontario farmers will save about \$30 million annually under the HST on items that are currently not exempt from the RST. Farmers would continue to pay no tax on the majority of inputs purchased such as feed, seed, fertilizer, farm equipment and machinery, which are currently point of sale tax-exempt.

Under the HST, Ontario's farmers would no longer pay sales tax on many items such as trucks, light vans and parts, furniture, lawnmowers, computers, freezers and other equipment. This would put Ontario farmers on a more level playing field with farmers in other provinces that have harmonized sales taxes.

The HST would follow the same rules and structure as the GST. Farmers who are currently remitting their GST paperwork would continue to do so and continue to receive input tax credits on any applicable purchased farm inputs.

### **What the HST Would do for Ontario Farm Inputs**

1. Most farm inputs would continue to be zero rated and would be purchased without paying any tax.

Examples: feed, fertilizers, grain bins and dryers, seed, farm equipment and machinery, livestock purchases, pesticides, quota and tractors greater than 60 hp.

2. Farm inputs that are currently taxed with the RST would be subject to the HST and also be eligible for an offsetting input tax credit.

Examples: pick-up trucks used on the farm, computers and office equipment used in the farm's business.

3. Farm inputs that are exempt from the RST but not the GST would be subject to the HST, and also be eligible for an input tax credit.

Examples: contract work, freight and trucking, veterinary fees and drugs, custom feeding, machinery lease and rental, hand tools, fuel, oil and grease.

### **What's New**

The 2009 Ontario Budget announced temporarily restricted input tax credits (ITCs) for large businesses, but excluded the farm use of energy.

In addition to the temporary ITC exception for energy, farms with more than \$10 million in annual taxable sales would also not be subject to the restrictions for:

- Telecommunication services other than internet access or toll-free numbers;
- Road vehicles weighing less than 3,000 kilograms (and parts and certain services) and fuel to power those vehicles; and
- Food, beverages and entertainment.

### **HST Benefits for Ontario's Farmers**

- Farmers would experience a net decrease in the sales tax they pay under the new proposed HST.
- There would be about \$30 million in new benefits under the HST.
- Ontario's farmers would no longer pay sales tax on many items such as trucks, light vans and parts, furniture, lawnmowers, computers, freezers and other equipment.
- On average, farmers would realize about \$600 annually in new benefits.
- No identification or Purchase Exemption. Certificates required at the time of purchase.
- No extra paperwork; any input tax credits to be claimed would be part of the existing GST filing.
- Many farms would be eligible for a small business transition credit of up to \$1,000.

Zero rated farm inputs mean that producers would pay no tax on more than \$5.6 billion worth of items.

For more information please visit: <http://www.omafra.gov.on.ca/english/busdev/facts/HSTbenefits.htm>

<b>For Sale</b>	<b>Contact</b>	<b>Telephone</b>
<ul style="list-style-type: none"> <li>1975 GMC Flatbed, Model #650. Best offer.</li> </ul>	David	(905) 468-7027
<ul style="list-style-type: none"> <li>80 apple (plastic) boxes, stackable (green). New \$10 each or \$300 for all.</li> </ul>	Wayne	(905) 562-6083
<ul style="list-style-type: none"> <li>New Holland 329 Manure Spreader, well-kept, excellent condition.</li> <li>3 Point Hitch V Plow Ditcher, used very little.</li> </ul>	Jim	(905) 563-4195
<ul style="list-style-type: none"> <li>Second hand barrels, mainly reds, 6 to 8 years old, \$75.</li> </ul>	JL	(905) 468-1806
<ul style="list-style-type: none"> <li>Pull type Gregoire Grape Harvester. Still being used and in excellent condition. Totally refurbished and maintained. Great for 50 acres of grapes or more. Asking \$39,000.</li> </ul>	Romeo	(905) 651-1188
<b>Wanted</b>		
<ul style="list-style-type: none"> <li>Kwik Kut pruning saw.</li> </ul>	Torrie	(905) 562-5637
<ul style="list-style-type: none"> <li>Stratus Vineyards Ltd. is seeking a Hands-on Vineyard Manager for its 55-acre estate vinifera vineyard. Working closely with the winemaking team, the Vineyard Manager's responsibilities include: supervising offshore &amp; local vineyard workers; managing a low-yield producing vineyard that delivers premium grapes to the winery; &amp; handling all aspect of personnel and equipment. The successful candidate will have appropriate post-secondary education &amp; several years of vineyard management experience preferably with premium, cool climate vineyards. Submit resume and cover letter in confidence via email by December 31, 2009.</li> </ul>	vineyard@stratuswines.com	

*Up Coming Events:*

**Open House at CCOVI**  
**Tuesday, December 1, 2009 from 10:00 am to noon in the Inniskillin Hall, Brock University**  
 For more information and to register please contact Jennifer Roberts at  
[jennifer.roberts@brocku.ca](mailto:jennifer.roberts@brocku.ca) or 905-688-5550 x4949.

**Ontario Fruit and Vegetable Convention**  
**February 24 & 25, Brock University, St. Catharines, ON**  
 The Ontario Fruit and Vegetable Convention, Canada's premier horticultural event, brings growers together from across Ontario, Canada and the United States to learn, discover and network.  
 For more information or to register please visit [www.ofvc.ca](http://www.ofvc.ca)

**Looking for Grapes?**  
**Please call Julie Dixon at**  
**905-688-0990 x228 or visit**  
**[www.grapegrowersofontario.com](http://www.grapegrowersofontario.com)**

To place an ad, please contact  
 Sylvana Lagrotteria at 905-688-0990 x231 or  
[slagrotteria@grapeandtenderfruitontario.com](mailto:slagrotteria@grapeandtenderfruitontario.com)