Get ready for the next decade of change

A new era has begun for world trade, with the United States formerly withdrawing from the Trans Pacific Partnership (TPP).

On offer from the US will be one-on-one trade deals with a 30 day cancellation clause, exercised at the option of the US. These changes, according to early commentary, will likely see a tightening of free trading conditions around the world. This is because trade agreements are reciprocal, with each country getting benefits from the other country for opening up its borders and removing tariffs and non-tariff barriers.

New Zealand’s horticultural exports grew by just under 40% over the past two years, from 30 June 2014 to 30 June 2016. Further growth and continued prosperity is dependent on more exports. One of the key drivers for continued export growth is good market access not hindered by tariffs and non-tariff barriers. The loss of the TPP is a significant challenge. In its first year, it would have returned to horticulture just under NZ$30m in tariff reductions. Added to the need for a replacement for the TPP, New Zealand also has to negotiate and complete free trade agreements with both the European Union and the United Kingdom, once it has left the EU. Our government, supported by industry, will have its work cut out for it to continue its excellent work to date opening up world markets to our exports. The changing trade landscape will be one of the main topics for the Horticulture Conference this year, being held from July 12 to 14 in Mount Maunganui.

This is not the only significant challenge that horticulture will face in the next few years. The core issues remain the ability to meet ever tightening market requirements, as well as access to water and suitable land for growing, reliable and skilled labour, and a robust and reliable biosecurity system. But what is rapidly changing is what horticulture has to do to meet these challenges, adding cost and complexity to growing fruit and vegetables.

For example, our customers are showing an increasing interest in employment and treatment of workers. The Recognised Seasonal Employer (RSE) scheme is a shining example of a seasonal employment scheme that is a win for all the parties involved and can be held up as best practice. Regrettably, in recent months, not all our industry’s employment has been found to be best practice, with contractors and growers convicted for failing to comply with New Zealand law. This causes a ripple effect into our offshore markets and makes our industry less desirable for potential employees. The public spotlight is firmly on our performance as an industry with our workers. HortNZ has the expertise to assist with employment issues for seasonal workers and we are happy to give advice and information. To this end, there is a seasonal employment agreement on the HortNZ website. I recommend you use it. We will keep this up to date as employment law changes.

A great aspect of horticulture is that many of our growing operations are inter-generational family businesses that have been operating for many years. The challenge we face is sustaining these businesses by attracting and retaining talented employees. Succession from generation to generation, and the introduction of new growers is an issue that needs more attention. We have been talking with the Ministry for Primary Industries (MPI) about tools to assist with succession planning and are championing, for example, a proposal developed by NZ Kiwifruit Growers for the creation of a vine right, similar to a forestry right, as a way to ease new entrants into growing.

Facing the fear, family and future. Succession planning is discussed in detail on Page 48.
Then it comes down to the need for more workers to sustain our growth. Although we have been successful in recent years getting increases in the RSE cap and continuing to employ overseas workers, it is going to become more difficult to get access to these workers. HortNZ is continuing to make submissions for ongoing access. However, we need to continue the development of employment initiatives running in many parts of New Zealand and expand them. To successfully access offshore labour to meet our requirements, we need to have a good reputation as an industry for employment and to be doing all we can to employ our local workforce. HortNZ has a particular focus on Northland and Gisborne as key areas where we need to work with growers and government to get initiatives up and running to replicate what is successfully working elsewhere in our growing regions.

The other key issues challenging you are also being actively worked on by HortNZ in conjunction with the product groups and district associations. Protecting the 5% of New Zealand's land that is suitable for horticulture, from urban creep and lifestyle blocks, access to water, and protecting your growing operations from biosecurity incursions are prime focus areas.

The essential value of HortNZ to you, our growers, is as a pan-industry organisation that is Government's first stop on any issue horticultural. Product and district specific issues are then passed to the appropriate group to manage, with HortNZ input when appropriate.

From my first year working at HortNZ I have come to understand that the most important contribution that HortNZ makes is to be the united voice for horticulture with government, the stakeholders and the public. Telling the horticulture story to New Zealand is at the top of our priority list. To do this, HortNZ has increased its mainstream media and social media presence. We are reaching out to the public and, with this being an election year, through the media we will reach out to the politicians. We also maintain a regular schedule of meetings with the key politicians to keep horticulture front of mind.

This outlines what HortNZ is focusing on at the start of 2017. As the year unfolds we will make submissions to government on the policies it is developing and work to get better access for new compounds, biocontrol agents and biopesticides through the regulatory agencies.

What we aim to do by working with government as your pan-industry representative organisation – working together with the product groups and district associations – is to create an enduring environment where you can prosper and grow.

Mike Chapman is chief executive of Hort NZ

If you like the NZ Good Agricultural Practice initiative, chances are you've appreciated the work of Damien Farrelly, quality systems manager for NZGAP.

As part of the NZGAP team Damien provides two key services to our growers. First, he is developing an environmental programme to meet regional requirements as well as potential future market targets for carbon, waste and biodiversity.

The second part of his role is upgrading NZGAP, embracing technology and smart tools to make life easier for adopters of the scheme as they are being overwhelmed with increasing requirements from retailers, central government and regional councils.

"The new environmental programme is expected to launch in March, and we have recently developed an online mapping system for NZGAP that'll also be out soon", says Damien. "We try to think what would make NZGAP more user friendly for growers, and develop tools to help add value to the business while making the job of compliance less of an administrative burden."

Damien, originally from the Irish county of Cavan, has been with Horticulture New Zealand since the start of 2016, and has embraced the Kiwi lifestyle.

"I love it here. I was in environmental research back home, and that can get very repetitive in the day-to-day. What I do now is varied and challenging which keeps me on my toes. It's busy, but knowing that I am helping to make a big difference for growers in the future makes it very rewarding.

"My job has enabled me to see some amazing places in New Zealand and in my spare time I have been making the most of outdoor opportunities here like tramping, skydiving and kayaking. It's nice to have such a good work-life balance."
Horticulture New Zealand, in consultation with the Ministry of Business, Innovation and Employment (MBIE), has put together a Seasonal Employment Agreement for horticulture workers, so that growers can easily draft employment agreements for their seasonal pickers and pruners. It's available on our website: http://www.hortnz.co.nz/assets/Uploads/Seasonal-Employment-Agreement.pdf.

There has been a lot of media coverage about alleged exploitation of workers in horticulture this summer, and Horticulture New Zealand strongly advocates for all in the industry to be completely compliant with New Zealand employment law. Any instances of employee exploitation should be reported to the Labour Inspectorate, which is the appropriate government agency to deal with this, and prosecute if necessary. HortNZ is happy to work with employers to ensure they have access to the appropriate information and if necessary, we would look at running training to ensure compliance with employment laws.

The number of NZGAP certificate holders increased by 12% during 2016. It is estimated that more than 90% of New Zealand grown fruit and vegetables are now certified to one or more good agricultural practice (GAP) schemes, including NZGAP, GLOBALG.A.P. and others. This is one of the highest rates of certification in the world, which supports New Zealand’s growing reputation as a supplier of safe and sustainable fruit and vegetables.

Horticulture has experienced a spectacular 40% growth in export earnings since 2014, according to a recently released report, with tariffs on exported produce down by 22% since 2012. The New Zealand Horticulture Export Authority (HEA) and Horticulture New Zealand commission the report New Zealand Horticulture – Barriers to Our Export Trade every two years, with funding support from the Ministry of Foreign Affairs and Trade (MFAT) and NZ Fruitgrowers Charitable Trust.

Horticulture New Zealand has welcomed the New Zealand Horticulture Export Authority (HEA) Amendment Bill, which was passed into law in December last year. The Bill provides clarity around entry and exit of the HEA by Product Groups, and adds the flexibility of multi-tier export licensing, which are key changes that will benefit horticulture exporters.

HortNZ chief executive Mike Chapman says: “When we submitted on the Bill we asked for that clarity to encourage exports and tiered licensing to allow for market development and exploration. This is an enabling piece of legislation that modernises the Act of 1987.”

Last month, HortNZ biosecurity manager Richard Palmer took part in a cross-industry group hosted by New Zealand Wine Growers, which heard from Dr Mark Hoddle from the University of Southern California. Dr Hoddle gave a compelling presentation about proactive biocontrol, showing the spectacular effect in French Polynesia from introducing a biocontrol against the leafhopper insect the glassy-winged sharpshooter. Over seven months, the biocontrol wasp essentially wiped out the glassy-winged sharpshooter. The presentation covered the overall benefits available from many biocontrols, including for the brown marmorated stink bug.

Horticulture New Zealand chief executive Mike Chapman was interviewed for the final RNZ (Radio New Zealand) Country Life programme last year, and he talked about the value of...
bio pest controls, including for potato psyllid. A project is underway looking at the potential for the psyllid parasitoid *Tamarixia triozae* to establish in New Zealand. Mike wanted to draw attention to alternatives to chemical pest control in horticulture to meet growing demands by customers for low, or no, chemical residues.

He said the wasp *Tamarixia triozae* will kill the psyllid but won't kill anything else and that this bio-control method will be a very effective way to control psyllid.

A small group of biosecurity managers across the horticulture sector has reviewed and discussed the 37 projects proposed by researchers under the Better Border Biosecurity operational refresh. Innovation is the name of the game when it comes to supporting biosecurity, using new technologies in genetics, bio-sensing, and big data. We look forward to seeing development of some of the tools and processes envisaged in the Biosecurity 2025 Direction Statement.

Monitoring surveys for pea weevil are concluded in all regions except Canterbury, with 670 visits to 240 paddocks completed. It seems that the control of the pea weevil in the Wairarapa is going well, with no confirmation of any presence outside of the controlled areas.

Horticulture New Zealand and the Ministry for Primary Industries (MPI) have, however, received unconfirmed reports of home gardeners planting peas in defiance of the moratorium, and that others are moving pea straw into the controlled area. It cannot be stressed enough that any short-term benefits gained from these actions are far outweighed by the devastating effects that the pea weevil will have on long term production of the crop in New Zealand.

If you are aware of peas growing in the controlled area, please call MPI on 0800 80 99 66. All calls are confidential.

### Scholarships 2017

Every year Horticulture New Zealand offers scholarships that are open to New Zealand students and trainees who have a special interest in the fruit or vegetable industry and are undergoing significant industry training or education.

There are two types of scholarships you can apply for:

**$500 Horticulture New Zealand Industry Training Scholarship**, available to industry trainees. This scholarship provides financial assistance and acknowledges the achievements of those who currently work and study in the fruit & vegetable industry.

**$4500 Horticulture New Zealand Undergraduate Scholarship**, available to under-grad students. This package includes $3000 plus attendance at the annual Horticulture Conference (Tauranga 12-14 July). Registration fees, travel & accommodation will be covered. The scholarship is an excellent opportunity to obtain funding for study and learn from leading edge conference sessions, as well as network with key industry figures.

Each scholarship is for one year only.

#### How to apply

Application forms and selection criteria (including referee forms) are available from www.hortnz.co.nz or info@hortnz.co.nz, ph 04 472 3795. Closing date will be 20 March 2017.
the Waikato Regional Council (WRC) decision to withdraw only part of the Proposed Waikato Regional Plan Change 1 – Waikato and River Catchments to the Waikato Regional Plan – to consult with the Hauraki iwi authorities. The group contests that to start splitting the Waikato up for extra consultation while the neighbouring area remains in the process is flawed, and unfair to the growers and the community.

Horticulture New Zealand is calling for the Waikato Regional Council to withdraw the entire plan, and re-notify once the necessary consultation has taken place. On behalf of growers, HortNZ has requested a judicial review of this process. That will start working its way through the Court processes in February and we will keep growers notified of any developments.

The Otago Regional Council (ORC) is consulting on Proposed Plan Change 1D in February. The purpose of the proposed change is to improve how the regional council assesses the amount of water that should remain in a water body when water is taken out for use, and the conditions that may apply when people take water.

The ORC wants to hear about any issues there may be with the current system, and opinions and ideas on how to make it work better. Information on drop in sessions and how to give feedback can be found on the ORC website www.orc.govt.nz.

**SUBMISSIONS**

The Natural Resources and Environment (NRE) team has made further submissions on the Whangarei District Plan Proposed Plan Changes 85A-D, 86 and 114. Some of the key issues in these changes are particular rules around Outstanding Natural Features, reverse sensitivity issues, zoning rules, and subdivision.

A map of the current plans being worked on by the NRE team is above. Orange represents district plans, green equates to regional plans.

The NRE team also made a further submission on the Proposed Southland Water and Land Plan. For this, the main issues were the cultivation rule, the vegetable washwater rule, rules regarding water take and use, use of fertiliser, and Farm Environment Plans.

**PEOPLE**

As part of finding ways to build and upskill Northland’s permanent horticulture workforce, representatives of HortNZ, the Ministry for Primary Industries (MPI), T&G, and Primary ITO visited growers in Whangarei and Kerikeri to discuss permanent workforce shortages and training solutions.

In late November, HortNZ president Julian Raine and chief executive Mike Chapman also visited growers in Dargaville and Whangarei.

With both visits it has become clear that horticulture needs greater recognition in the region; that there needs to be more integrated programmes or pipelines of supply, employment, training and support; and that we all need to better coordinate efforts to get more New Zealanders in work and keep them there.
From this, HortNZ organised an intergovernmental agency meeting between the Primary ITO, the Ministry for Social Development (MSD), the Ministry for Business, Innovation and Employment (MBIE), MPI, and the Tertiary Education Commission (TEC) regarding building the supply and skills of Northland's permanent horticulture workforce. This has been after several individual conversations and visits with growers, with the plan to co-ordinate and resource solutions.

Getting good people with the necessary skills into horticulture to meet the demands of growth is a priority. We have a number of ways of doing that including encouraging young people into our industry and into leadership roles.

HortNZ is pleased to announce that all six of our undergraduate scholars have been awarded the second instalment of their scholarship, due to outstanding academic performance. We would like to congratulate Jack Keays from Waikato University, Elliott Lovegrove from Lincoln University and Sarah Ross from Massey University who successfully completed requirements for the HortNZ Undergraduate Scholarship; and Peter Schreuder from MIT, James Robertson and Sarah Tastard from Massey University, who completed requirements for the Horticentre Trust Scholarship.

All 12 students identified at the beginning of 2016 for the Industry Training Scholarships were successful and received the $500 scholarship, which was based on their performance at work and in their studies for the duration of the year.

HortNZ is now accepting electronic scholarship applications for 2017. There are six undergraduate scholarships worth $4,500 each, four conference awards of $1,500 each, and 10 industry training scholarships of $500 each available. Application forms can be downloaded from our website: http://www.hortnz.co.nz/our-work/people/industry-training-scholarship-2017/.

There were a great bunch of participants on the 2016 HortNZ Leadership programme. Ratings averaged 8.7 / 10 for both personal and programme outcomes.

There were six undergraduate scholarships and four conference awards. The conference scholars' programme achieved a rating of 9.4 / 10 compared to 8.2 / 10 for 2015; and scholars actively participated in all conference sessions, the mentor programme and extra workshops.

There were five horticulture participants in the 2016 Kellogg programmes and in 2016 two Leadership grants were allocated.

Mark July 12 to 14, 2017 in your calendar as the dates for the 2017 Horticulture Conference. The conference will be held in Mount Maunganui at the ASB Arena. Planning is underway and we will keep you posted as details come to hand. All growers are welcome at the conference.

In March, Horticulture New Zealand chief executive Mike Chapman will be speaking at MobileTECH on the real impact of new technologies on the horticultural sector. The 5th annual summit MobileTech 2017 focuses on disruptive innovations reshaping the primary industries and showcases mobile, wireless and digital technologies. This year's summit will be in Rotorua on March 22 to 23.

Enter the code xHortNZ and receive a special discounted rate on registration!

For more information, see the MobileTECH website http://connexevents.com/mobiletech/.