

HORTICULTURE INDUSTRY

Briefing for Incoming Ministers

OCTOBER 2020

Introduction

This briefing has been prepared with input from all of the horticulture industry's product groups to represent a collective horticultural position.



>60,000 jobs

Horticulture has a vital role to play in New Zealand's post-Covid economic recovery.

This is because horticulture feeds New Zealanders healthy, locally grown food as well as earning invaluable export returns.

\$6.39b in 2019

New Zealand's horticulture industry contributes more than \$6 billion to the economy, is the country's third largest export industry, and employs approximately 60,000 people.

65% approval

Horticulture is well respected by the public – the latest UMR survey shows that 65% of New Zealanders are positive about horticulture, which is the highest figure across the primary industries.

64% growth

Horticulture has grown by 64% over the past decade. We predict that given the right conditions, horticulture can continue to grow at this rate.

Recovery strategy

The New Zealand horticulture industry and Government have produced a [post-Covid recovery strategy](#). This briefing identifies the key elements of that recovery strategy, with the current priorities being access to labour and addressing regulatory barriers to growth.

Immediate concerns

The number one and most pressing issue facing horticulture is finding seasonal labour. At the peak of the harvest in May 2021, approximately 45,000 workers are required and even with a significant uplift in the number of New Zealanders being employed, there will be a shortfall of more than 10,000 workers.

We are committed to attracting and retaining New Zealanders as our primary workforce. We ask for support for industry programmes that get New Zealanders into work.

In order to meet seasonal labour requirements, we ask that the border with Covid-free Pacific Nations is opened, so workers can travel to and from New Zealand under managed quarantine arrangements.

Horticulture is facing increased costs due to wage rises, and increased compliance, for example, as a result of climate change and fresh water requirements. Over the past five years, horticulture has progressively increased average wages.



IF THERE ARE FURTHER LOCKDOWNS

During the lockdowns, the horticulture industry came together in a series of collective conversations with Government to unify the industry's response and work through challenges.

Our concern with lockdowns is that they inhibit domestic food supply. Last time, we estimated that 20–30% of fresh vegetables did not reach New Zealanders. If further lockdowns occur, we believe independent fruit and vegetable retailers need to remain open to enable the distribution of fresh vegetables and fruit. Also, that the industry is consulted on the placement of any borders, so they are positioned to support continued food production.

Industry representatives will be available to meet with Government officials at short notice.

Ongoing challenges

WATER

Storage

Last year saw much of the country in drought or drought like conditions. Most of these regions have not fully recovered going into summer and drought conditions already being experienced in several parts of the country.

Access to water is vital for both urban and rural communities to continue to effectively operate, and to unlock the potential of Māori land. The whole of New Zealand urgently needs significant investment in commercially viable water storage schemes, for urban supply, growing fruit and vegetables, and improving freshwater quality by enhancing river and stream flows.

These schemes cannot be modest and need to accommodate drought conditions previously not experienced in New Zealand. The streamlining of Resource Management Act processes and other bureaucratic processes is critical to getting these major schemes underway now, as well as the availability of capital to build the schemes.

We ask for a nationwide assessment of water infrastructure to see if it is adequate to support horticultural expansion, followed by construction of water capture and storage schemes to enable the growing of healthy fruit and vegetables.

Allocation

Water allocation should not constrain future land use and land management flexibility. Rather, it should enable growers to respond and take into account the positive and negative effects that land use type and property scale have on environmental, social, economic and cultural values, within a catchment context.

We ask for an allocation model that provides certainty while allowing for variation between catchments as long as overarching principles

are adhered to. Transitioning to the new allocation model needs to ensure grower viability and provide flexibility to enable development within environmental limits.

Quality outcomes

We welcomed the previous coalition Government's pragmatic approach to achieving freshwater quality outcomes. That approach acknowledged that growers know how to achieve the outcomes wanted, while continuing to ensure that New Zealand has food security for a growing population.

Fruit and berry production improve freshwater quality and reduce the impact of climate change. In addition, for many years, vegetable growers have been investing heavily in improving freshwater quality and reducing environmental impact by retiring land, putting in sediment ponds, and using precision irrigation and modern cultivation techniques.

We ask for recognition of the positive effects of horticulture. We also ask for recognition – through the creation of a National Environmental Standard for Commercial Vegetable Production – that in feeding New Zealand and the world healthy food, allowances must be made for different growing systems, such as vegetable production, which involves less than 60,000 hectares of land.



BIOSECURITY

Biosecurity is a key concern of growers. We need to keep pests and diseases out but if they do enter, we need to be able to contain their spread and eradicate them.

We ask that the review of the Biosecurity Act is completed and that the Government continues to invest in all aspects of New Zealand's biosecurity strategy and activity, including technology across the biosecurity system.

NEW PLANT VARIETIES

Budget 2020 invested in the safe importation of new plant varieties so New Zealand can keep up with international competition. We need access to the world's best genetics in order to develop world leading varieties for export/global IP deployment, and for maximising domestic production.

We ask that the Government invests both in a post-entry quarantine facility and the development of new varieties through Crown Research Institutes and other research providers.

RESEARCH AND INNOVATION

Growers currently lack some of the techniques and technologies needed for successful climate change adaptation, while maintaining, if not increasing, food production and exports. Government direction coupled with investment and incentives for research and development is necessary if New Zealand is not to slip behind its international competitors.

We ask for Government direction and investment in Crown Research Institutes that reflects the research and development needs of horticulture so growers can have access to solutions for medium to long-term challenges, such as climate change and becoming carbon neutral.

We ask for Government assistance with the transition to low emission energy sources, in particular, for covered crop growers that heat their greenhouses to enable year-round market supply.

FARM ENVIRONMENT PLANS

Grower developed, independently audited Farm Environment Plans are a powerful tool for growers to use to achieve climate change adaptation, improve freshwater quality, reduce environmental impact and provide evidence for regulators.

We ask for national and catchment wide support for Farm Environment Plans, and investment in their rollout and associated grower outreach activities. At the same time, support for sediment control and wetland development is needed to match growers' own investment over several years.

We ask for recognition that the grower is in the best place to manage climate change and freshwater. Growers' Farm Environment Plans should be exempt from consultant sign off, noting that we already have independent Good Agricultural Practice (GAP) audits that can validate Farm Environment Plans and identify areas for further work.

We ask for recognition of GAP schemes for managing environmental outcomes.

LABOUR, EDUCATION AND TRAINING

For many years, horticulture's growth has been hampered by labour shortages across growing, harvesting, value-add processing and transportation.

Many New Zealanders need to develop new skills and take on different jobs due to Covid, which will not be an easy process.

We ask that the reform of the education and training system is completed, while ensuring that the system reflects post-Covid requirements for flexible delivery and innovation.

We also ask that the Government supports the commercialisation of automation initiatives that will assist with managing labour, health and safety, and crop management.

MARKET ACCESS

Continued access to markets as well as the opening up of new markets is a vital ingredient for increased export returns.

We ask that market access be improved for all our key markets, while unnecessary regulatory burdens are eliminated.

The current lack of airfreight due to reduced passenger flights is a key inhibitor.

We ask that the Government assist making airfreight options available on a regular basis and at affordable rates, to enable perishable and high value products to be exported.

CUTTING THROUGH RED TAPE

Like most industries in New Zealand, horticulture is made up of a majority of small businesses. These businesses need expensive and time-consuming red tape to be reduced if they are to prosper by focusing their efforts on growing and not compliance.

We ask that central and local Government recognise GAP schemes so that bureaucratic processes that add no value or provide no additional safeguards are dramatically reduced. This will enable growers to get on with what they do best – sustainably growing fresh, healthy fruit and vegetables for New Zealand and the rest of the world.

The operation of the Environmental Protection Authority needs to be reviewed so that approvals for new, softer biopesticides are speeded up.

COUNTRY OF ORIGIN LABELLING

For more than a decade, the horticulture industry has campaigned for Country of Origin Labelling. Yet again, there are more delays to Country of Origin Labelling becoming mandatory, which we see as a misalignment with Government calls to buy and 'support local'.

We ask that the Government makes Country of Origin Labelling mandatory as early as possible.

Acquainting the new Government with horticulture

The horticulture industry would like to offer both the incoming Minister/s and officials the option of receiving briefings on the industry, as well as visits to orchards, farms and other horticulture facilities.

To arrange a briefing or visit, or to get answers to questions, please contact HortNZ Communications Manager, **Andrew Bristol** on **021 0216 2021**.

