



**MINUTES OF THE HORTICULTURE NEW ZEALAND INC  
14<sup>TH</sup> ANNUAL GENERAL MEETING  
HELD AT MYSTERY CREEK, HAMILTON  
ON THURSDAY 1 AUGUST 2019 AT 4.30 P.M.**

<b>Present:</b>	Barry O'Neil	President/Chair
	Bernadine Guilleux	Vice-President
	Bruce Campbell	
	Bruce Wills	
	Hugh Ritchie	
	Kate Truffitt	Associate Director
	Leon Stallard	
	Mike Smith	
	Tony Howey	
	A list of attendees is attached	
<b>In Attendance:</b>	Mike Chapman	CEO
	Kerry Norman	Board Secretary

**1 WELCOME FROM PRESIDENT AND APOLOGIES**

HortNZ President and Chair, Barry O'Neil, welcomed members, guests and staff to the 14th AGM of Horticulture New Zealand Inc. and declared the meeting open.

The Chair acknowledged HortNZ's life members and chairs of the various product groups and grower associations that were present.

The HortNZ Directors were introduced.

Apologies were received from:

Andrew Kinninmonth  
David Kelly  
David Eder  
David Wright  
Gary Bennetts  
Graham Martin  
John Cook  
John Paynter  
Lesley Wilson  
Linda Flegg  
Mike Russell  
Owen Geyde  
Rick Curtis  
Sally and Stephen Darling  
Tony Ivceovich

## 2 VOTING AND PROXIES

The HortNZ Chief Executive advised that 35 proxies had been received (both directed and undirected), and were allocated to:

The Chair	33
Julian Raine	1
Hugh Ritchie	1

No proxies were invalid.

Those members holding proxies were present.

## 3 OBITUARIES

A moment of silence was observed in remembrance of:

- Fay Gock (nee Wong)
- Keith Jowsey
- Lindsay Wells
- Merril Nicklin (nee Findlay)
- Rex Ake

## 4 MINUTES OF 13TH AGM

There were no amendments to the minutes.

Jen Scoular requested a copy of the revised Board Charter relating to its diversity policy.

### **RESOLVED ( MIKE SMITH / JULIAN RAINE )**

**“THAT the minutes of the 13th AGM of Horticulture New Zealand, held on 24 July 2018, be taken as read and confirmed as a true and correct record of that meeting.”**

## 5 PRESIDENT & CEO'S REPORT

The President referred members to the President's and CEO's reports from the Annual Report. A copy of the slides for the President and Chief Executive are available on request. The President highlighted the following key points and noted continued collaboration across the sector would be key going forward.

- Country of Origin Labelling passed in to law after ten years of work by those present at the AGM and the industry.
- The President thanked the NZGAP team for their work in getting Food Act registration completed. In less than six months nearly 1000 growers had registered.
- On Climate Change and the Carbon Zero bill, the President thanked the NRE team and product groups for their work on this priority area.
- Labour remains a critical issue for all. This work is done with the product groups in partnership with HortNZ. The President noted the positive approach by the new Director-General at MPI who has assured industry that the Ministry will engage with sectors to support our labour needs.
- On the RSE Scheme, the President acknowledged the work of HortNZ National Labour Coordinator, Jerf van Beek. It was pleasing to get an increase in RSE

numbers last year but in addition to this HortNZ / Product Groups have worked together to commission a report from NZIER to show the impact of the shortage of work and put a case for a further increase for RSE numbers.

- The President thanked the Board for their support and commitment. The President acknowledged the appointment of Bruce Campbell as director. Bruce Campbell introduced himself to the AGM. The President also introduced Kathryn de Bruin who joins the board after this AGM.
- The inaugural Associate Director Kate Truffitt was acknowledged for her contribution to the board and her work on health and safety and NZGAP issues. In September the Board will start the process of appointing a new Associate Director (the position is appointed for a year from December). Those present were encouraged to share this information with possible candidates.
- The President acknowledged former President Julian Raine for his contribution to horticulture in New Zealand and HortNZ during this tenure.
- The President thanked the staff of Horticulture New Zealand for their professionalism and for the significant amount of work done over the financial year. He also thanked Chief Executive Mike Chapman for his work during what has been a time of change in both government policy and direction.

The Chief Executive outlined the operational work of Horticulture New Zealand in 2018/2019.

The Chief Executive thanked the President and Board for their support. He noted that his focus in the last year had been on building capability within the HortNZ office and focussing on core and strategic priorities. Collaborating with the product groups and key agencies and groups across the sector was also a key focus, which would continue to ensure better outcomes for grower members on priority areas such as labour.

#### **RESOLVED ( BRUCE WILLS / ALAN NOBLE )**

**“THAT the President’s & CEO’s Report for the financial year ending 31 March 2019, as published in the Annual Report, be taken as read and adopted.”**

Jen Scoular congratulated HortNZ on the annual report. She asked that the focus areas be more specific and outcomes be measured and reported on. The President advised the reporting of progress was done at Horticulture Industry Forums, through newsletters, magazines and at the AGM. Grower surveys also assisted. The HortNZ President and Chief Executive will consider how to further improve transparency.

As Avocados NZ CE, Jen Scoular asked for more information on strengthening relationships with product groups and other organisations. The President advised HortNZ met regularly with chairs, boards and CEs of product groups to align issues and priorities. He noted the Chief Executive is also involved in a number of groups dealing with sector-wide issues. This would continue and the Board hoped to meet with more product group and industry group boards going forward.

## 6 FINANCIAL STATEMENTS

The CEO presented the audited Financial Statements for the year ended 31 March 2019 and explained the variances. These slides are available on request.

The Chief Executive advised that HortNZ has accumulated funds of \$2.7 million and at the Board's July meeting it was agreed to transfer \$1 million into short term reserves. The HortNZ reserves policy allows for up to \$3.4 million to be put in to reserves.

The Chief Executive, on request from Jen Scoular, advised where the accumulated funds were reflected on page 23 of the audited financial statements.

The Auditors issued an unqualified audit opinion.

**RESOLVED ( TONY HOWEY / HUGH MOORE )**  
**"THAT the audited financial statements for the year ended**  
**31 March 2019 be adopted."**

## 7 DIRECTOR REMUNERATION

The President invited John Bourke, Chair of the HortNZ Director Remuneration Committee to speak to the Committee's recommendation.

John Bourke acknowledged those present, the Board, CEO and staff. Mr Bourke advised the remuneration committee terms of reference were developed and approved by the board this financial year. These now fairly reflect the role of the committee.

Alan Pollard, CE of NZAP asked how the HortNZ director fees compared with other organisations. John Bourke advised comparisons were provided to the committee and the committee felt that the fees were appropriate when compared with those similar boards. John Bourke also advised the AGM that there will be a review of the time that directors spent on HortNZ board business.

**RESOLVED ( JOHN BOURKE / ANDREW FENTON )**

**"THAT Directors' remuneration be increased by 1.9 percent, in line with the**  
**CPI inflation rate taking effect from 1 April 2019."**

Andre de Bruin abstained from voting.

## 8 2019/2020 BUDGET

The Chief Executive presented the 2019/2020 Budget which had been circulated to members.

Members noted that the budget had been based on HortNZ's performance over the past year. The CEO acknowledged the financial support of the Fruitgrowers Charitable Trust.

It was noted that the leadership course run by HortNZ was very successful this year and in result, two courses would be run this year. Funding is also being received for specific projects from the provincial growth fund. This money is paid to HortNZ and then that is passed on to those organisations running these projects.

The Chief Executive outlined the priorities, challenges and opportunities for the 2019/2020 year. These slides are available on request.

The Chief Executive acknowledged Antony Heywood and Kate Truffitt for their work on improving health and safety for the sector.

The President updated the AGM on his attendance at the Te Hono Bootcamp at Stanford along with other primary sector leaders. The President advised the PSC presented its draft vision for the sector. Those who attended discussed the direction of the council and the proposed vision. The Council will be doing further work on its proposal which has developed significantly and positively from that presented at the Horticulture Industry Forum.

HortNZ was forecasting income of \$6,850,542 and expenditure of \$6,798,720.

Overall HortNZ was estimating a surplus of \$51,822.

**RESOLVED (LEON STALLARD / ANDREW FENTON)**

**“That the Budget for the year ending 31 March 2020 be endorsed.”**

Life member and grower, Hugh Moore asked about the budgeted \$25k for levy collection and what that cost was attributed to. The Chief Executive explained this money is allocated for annual physical audits where they are required. This can usually be managed between the HortNZ finance team and levy collection agents.

Marie Dawkins questioned the interest amount of \$30k. The Chief Executive noted that HortNZ took a conservative view to interest and explained this approach was in part due to changes in the accounting for Vegetables NZ and TomatoesNZ. In joining the GIA, Government required those provider groups to be established as Incorporated societies with their levies being paid directly to those societies.

The President also acknowledged the support of the Fruitgrowers Charitable Trust.

**9 APPOINTMENT OF AUDITOR**

The President acknowledged the HortNZ finance team for their work on the 2019/2020 audit. There were no further comments about the appointment of the auditor.

**RESOLVED ( HUGH RITCHIE / ANDRE DE BRUIN )**

**“That BDO Wellington Incorporated, be appointed auditors for the year ended 31 March 2020.”**

**10 GENERAL BUSINESS**

- i. Hugh Moore said the HortNZ Strategy raised the issue of ETS and Climate Change. He noted it was an ongoing frustration that forestry can get carbon credits but his kiwifruit vines, some of which were over 51 years old, and avocado trees could not get carbon credits. The President advised that HortNZ will continue to engage with government on this issue. The President added that to convince the government, the industry will need to show true sequestration happening.

- ii. Jen Scoular congratulated Bernadine Guilleux and the executive committee on the progress of the Women in Horticulture group and requested that HortNZ consider using its underspend to fund the group further. She felt funding the group should be core business for HortNZ as well as funding a programme that builds on leadership and capability of women. The President advised \$35K of HortNZ funding had already been provided in cash along with administrative staff support. A request for additional funding was received from the group after the budget process was complete but would be considered by the Board at its strategic meeting and prioritised against the other work of HortNZ.
- iii. Andrew Fenton asked for an updated policy on gene editing. The President advised a further discussion with growers will be held in October at the Horticulture Industry Forum in Tauranga. The President and Board will have discussions with product groups, such as Organics Aotearoa, to ensure HortNZ understands their view before a policy position is taken any further.
- iv. Frank Hickmott raised the issue of the PGP Project and the need to be careful about 'bedfellows' and influence that will be within that group. He asked HortNZ to consider some of the advice and understanding amongst the growers, scientists and industry advisors. Mr Hickmott offered to speak directly to HortNZ about his concerns.

**11 ACKNOWLEDGEMENT OF DAVE KELLY**

HortNZ's President acknowledged Dave Kelly for his service to HortNZ as a Director over the last nine years. The Board had presented Dave with a gift at a previous meeting. Dave Kelly was an apology.

**12 CLOSING**

The Chair thanked members for their attendance and input. He thanked his fellow Directors and the staff of HortNZ.

The meeting closed at 6.05pm.

Read, approved as a true and correct record

This day of 2020

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