



# Tomatoes New Zealand Incorporated Commodity Levy Proposal

As a fresh tomato grower you will receive your voting papers for the Fresh Tomato Commodity Levy Referendum in July 2018. This brochure outlines the Fresh Tomato Commodity Levy

INITIAL LEVY  
RATE...



per \$100 sales

PROPOSED  
MAXIMUM  
LEVY RATE...



per \$100 sales

## PROPOSED AMOUNT

Tomatoes New Zealand Incorporated (TomatoesNZ) proposes that the **initial** levy rate for a new fresh tomato commodity levy will **remain the same as the current levy rate of 0.35% (or 35 cents per \$100 of sales)**.

TomatoesNZ proposes **the maximum levy rate is raised to 0.50% (50 cents per \$100 of sales)** under the new levy order. The current maximum levy rate is 0.35%.

The rate would only move up from 0.35% by agreement through a vote at an AGM (after the commencement of the new levy order in 2019).

## WHAT MAY THE LEVY FUNDS BE SPENT ON?

It is proposed that the fresh tomato levy may be spent for the following purposes:



RESEARCH & DEVELOPMENT



GROWER REPRESENTATION



EDUCATION & TRAINING



MARKET DEVELOPMENT & PROMOTION



INFORMATION & COMMUNICATION



DEVELOPMENT OF QUALITY ASSURANCE



BIOSECURITY  
(proposed new purpose)



DAY-TO-DAY ADMINISTRATION OF THE  
PRODUCT GROUP

# Highlights from the last five years...

Our vision is for the industry to be economically and environmentally sustainable growers of healthy, safe and nutritious fresh tomatoes in a progressive industry that will attract investment.



## Your fresh tomato levies have enabled the following activities, which align with the four TomatoesNZ strategy planks:

### Enhance Sustainability

- **Crop Protection** – sustainable pest management is critical to the industry, and TomatoesNZ have invested in developing biocontrol agents and conventional control options. One example is the import of Tomato and Potato Psyllid bio-control agent Tamarixia in 2017, with ongoing trials and development of this BCA underway. Registration of new crop protection products is also supported by TomatoesNZ.
- **Valuing the Covered Crops Industry** – an economic analysis by NZIER to define the sector's value to NZ.
- **Advocacy on Emissions Trading Scheme** – ensuring Government is aware of the impacts by making submissions and providing data.

### Share best practice and information transfer

- **Conferences** – annual opportunity for growers to network and hear from experts.
- **Irradiated Food Labelling** –TomatoesNZ successfully advocated for imported tomatoes from Australia to be labelled "irradiated".
- **www.tomatoesnz.co.nz** provides industry specific information for growers and those interested in the industry including the latest news and hot topics.
- **Promotional activities** keep tomatoes at the fore-front with consumers through vegetables.co.nz. This includes funding resources and projects in education and health; availability of recipes and support of 5+ A Day and United Fresh.
- Supporting **Young Vegetable Grower of the Year** and **Women in Horticulture**.



### Manage risk

- In 2014 TomatoesNZ signed the GIA (Government Industry Agreement) for **Biosecurity Readiness and Response** and two **Operational Agreements** (Fruitfly and Brown Marmorated Stink Bug) were signed during 2016-2017. These have strengthened our management of biosecurity risks and relationship with MPI.
- Managing **Health, Safety and Environmental** issues relevant to our industry remains a top priority, with annual publication of an Agrichemical Residue Information chart for growers. Piperail Trolley Best Practice guidelines have been drafted with final consultation underway with Worksafe and greenhouse wastewater discharge guidelines for growers have been published.

### Market Led Export

- **'Fresher by Sea'** research has enabled an increase in the shipping life of tomatoes to higher value markets beyond Australia. This contributed to fresh tomato exports to Japan expanding from under 500,000kg in 2013 to over 1million kgs in 2017.
- **Asia Fruit Logistica** - from 2015 to 2017, TomatoesNZ funded a stand as part of the NZ pavilion in Hong Kong to raise awareness of New Zealand tomatoes, meet potential customers, and increase our understanding of the Asian markets.
- **Export Market Access tools and advocacy** assisting exporters with continuing to grow exports. Monitoring changes in exporting requirements, and participating in the Plants Market Access Council (PMAC).



# What are we planning to focus on?

## Eight activity areas are proposed for the new levy order

### Market Development & Promotion

- continue to promote tomato consumption within New Zealand through vegetables.co.nz.
- continue to develop export markets and assisting exporters to access them.

### Information & Communication

- ensure topical information is available to all growers in user friendly and accessible formats.
- provide opportunities to engage with knowledgeable experts and share information at workshops and the annual TomatoesNZ conference.

### Grower Representation

- your voice in Wellington.
- continue advocacy on issues such as Emissions Trading Scheme, climate change and irradiated food labelling, along with any other issues arising for fresh tomato growers.
- communicate key industry issues to the public when appropriate.

### Education & Training

- support Horticulture New Zealand initiatives for people development, leadership, access to labour, and training.

### Biosecurity

- work with MPI to reduce biosecurity risks and increase industry preparedness.

### Development of Quality Assurance

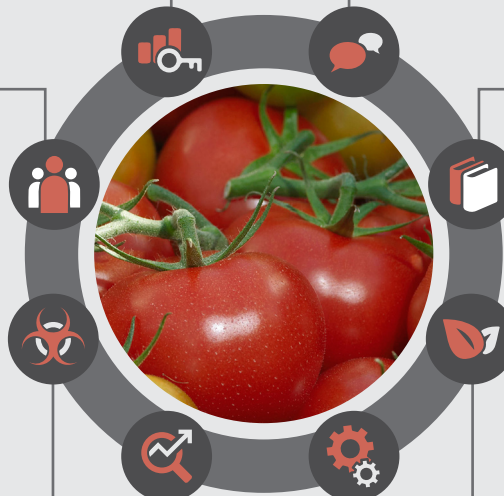
- maintain presence on the board of NZGAP ensuring that this remains a tool that meets growers' needs.

### Industry Research & Development

- work with industry, research partners, and government to develop sustainable solutions to meet current and future challenges including crop protection, exporting, energy and waste management.
- continue to work with the Vegetable Research & Innovation Board which is co-funded by the vegetable product groups for collaborative research activities.

### Day-to-day administration of TomatoesNZ Inc.

- management and coordination of the TomatoesNZ board meetings.
- project management and financial oversight.
- liaison with stakeholders and other horticulture groups.







## TOMATOESNZ IS SEEKING GROWERS' FEEDBACK ON THE COMMODITY LEVY PROPOSAL BEFORE THE REFERENDUM IN JULY THIS YEAR.

### What now?

TomatoesNZ needs your support in the upcoming referendum so that we can continue working for the fresh tomato industry.

Tomato growers will be asked to make (at least) **two votes**: one for Horticulture New Zealand and one for TomatoesNZ. If you grow other crops you may also be asked to vote on that product group's levy proposal.

TomatoesNZ supports the wider industry work of Horticulture New Zealand, which is complementary to the tomato specific work that we undertake on your behalf.

Your support in the upcoming referendum is critical to us continuing to provide vital services to fresh tomato growers. We are seeking your feedback on the proposal before the referendum. Please get in touch now with any questions and to voice your opinion.

“We worry about it so you don't have to”

TomatoesNZ Board Member

**Horticulture New Zealand**  
Industry wide work

**Product Groups**  
Product specific work

**Working Together**  
for all growers

We welcome and encourage your feedback on the information provided. If you would like to read more about the Fresh Tomato Commodity Levy Referendum proposal please visit: [www.tomatoesnz.com](http://www.tomatoesnz.com)

### Frequently Asked Questions

#### What is the process for lifting the levy rate above 0.35%?

Any changes to the levy rate (up to the proposed maximum of 0.50%) would require a vote at the Tomatoes New Zealand Incorporated Annual General Meeting. All levy paying growers would have an opportunity to vote in person or by proxy.

#### Why is the maximum levy rate going up?

The 0.50% maximum would bring the maximum rate back up close to where it was prior to 2013 (a maximum of 0.525% under the 2007 levy order), and give TomatoesNZ some room to invest in more research, industry development and advocacy to support and manage risk for growers, should it be required in the future.

#### How much does the levy raise?

On the current industry value of \$120 million, the 0.35% levy rate raises \$420,000 per year. The higher levy rate would provide a maximum of \$600,000 per year.

#### What changes are proposed for the new levy order?

- Adding “Biosecurity” to the list of purposes for which the levy may be spent. This reflects that we are already spending commodity levy funds in this area.
- A change to the definition of first point of sale for exports.
- A change to the information that collection agents must pass on to TomatoesNZ about the levies they have collected on growers' behalf.

#### Is anyone exempt from paying the levy?

No. If you have been selling and growing fresh tomatoes commercially you will be required to pay the levy on the sale.

#### Who collects the levy? Who do I pay?

The levy is payable to Tomatoes New Zealand Incorporated, although we plan to continue using Horticulture New Zealand to collect the levy on our behalf. They either collect the levy directly from growers or from levy collection agents who collect the levy on growers' behalf.

#### When does the new levy order come into place?

It is expected that the new levy order will start 1st April 2019. Fresh tomato growers will continue paying the same 0.35% rate, the proposed “initial rate”, at that time.

#### To talk with us please contact:

**Helen Barnes | General Manager**  
0508 467 869 or 04 470 5666  
[helen.barnes@hortnz.co.nz](mailto:helen.barnes@hortnz.co.nz)

**Karen Orr | Business Manager**  
0508 467 869 or 04 494 9984  
[karen.orr@hortnz.co.nz](mailto:karen.orr@hortnz.co.nz)

**Or contact any TomatoesNZ Director:** Alasdair MacLeod (Chair), Malcolm Pook (Vice Chair), Anthony Tringham, Simon Watson, Edward Lee, Anthony Stone, and Lex Dillon.