

TomatoesNZ's Year

1 April 2013 – 31 March 2014

2013/14 was an eventful, somewhat reactive and ultimately frustrating year as we dealt with issues that distracted time, effort and resource from more strategic issues that the Board would much rather we were able to focus on. Despite that, we made some progress – and we have a renewed determination to make some real progress on bringing the strategy to life this year.

Finances 2013/14

Total levy income for the 2013/14 financial year was \$293,127, only slightly higher than the previous year (\$274,955) despite an increase in the levy rate from 0.25% to 0.35% from November 1. This was perhaps due to poor domestic summer prices and reduced exports compared to 2012/13.

Product group expenses were reduced compared to the previous financial year, due mainly to savings on meeting and travel expenses, honorarium, conference expenses and the 2012 levy referendum. Research and Development expenditure was down due to completion of the SFF Psyllid project and reduced expenditure on other existing or new projects. TNZ reduced its contribution to vegetables.co.nz and on direct consumer promotion, but spent more on PR advice in relation to the campaign to ensure awareness and enforcement of the labelling of imported irradiated Australian tomatoes, and also advice around the application to import *Macrolophus*.

The bottom line was a deficit of \$55,363, an improvement on the deficit of 2012/13 which was \$197,704. The reserves at the end of 2013/14 stand at \$634,444.

Tomato Imports – Irradiated Australian Tomatoes.

After the all-clear was given by MPI in August, a total of 196 tonnes of irradiated Australian tomatoes were imported, during August and September 2013.

TomatoesNZ met with Minister of Food Safety Nikki Kaye and engaged the media to emphasise the importance of ensuring that irradiated Australian tomatoes met the FSANZ labelling requirements. TomatoesNZ's view was that consumers had the "right to know" the product was irradiated, even though we did not argue about the safety of irradiation and supported the need for a treatment to prevent fruit fly entering NZ.

MPI received a total of seven complaints about labelling non-compliance, which were eventually corrected. Industry sources reported that a high proportion of independent retailers and markets were not complying, so the number of complaints may not have reflected the true compliance level for these outlets. Information on the requirements was translated into simplified Chinese, and MPI say they will look at other languages in 2014.

Biosecurity

TNZ continued to engage in discussions with MPI and other industry sectors on Government Industry Agreements on Biosecurity. In late 2013, the TomatoesNZ board agreed to seek grower mandate to sign up to the GIA Deed, including a remit at the 2014 AGM.

Exporting

TomatoesNZ continues to be represented by Stephen Ogden of Market Access Solutionz on the Plants Market Access Council (PMAC) advisory forum to MPI on market access negotiation work, export assurance programmes, and international developments affecting exporters.

Research to develop Vapormate (ethyl formate) an alternative fumigant to Methyl Bromide for use on exports is continuing and has had some promising results so far.

Bio Control Agent application to the EPA

In November 2013, after about three years of development, TNZ submitted an application to the Environmental Protection Authority (EPA) to import *Macrolophus Pygmaeus* for release. Earlier in the project two additional bio control agents, *Delphastus catalinae* (whitefly lady beetle), *Nesidiocoris tenuis* (tomato bug), had been included in the application; however we received information from Europe that those were not ideal candidates so they were removed.

Macrolophus is a polyphagous mirid insect which can feed on a wide range of pests including whitefly, mites, thrips, aphids and leafroller. It is widely used in greenhouse tomatoes internationally. TNZ sees access to Macrolophus as critical to the long-term viability of the sector, reducing reliance on agrichemicals and being good for the environment, consumers and growers.

However, there was considerable opposition to our application during the public consultation and hearing phases of the application. Ultimately, and disappointingly, the application was declined in May 2014.

Other Research

TomatoesNZ is a member of the Vegetable Research and Innovation Board, which underwent a substantial review and restructure in 2013/14. Following the review, Potatoes NZ decided to withdraw from the board. The remaining groups agreed they continued to see the value in working together on research and development; however a full time manager and independent chair positions could not be sustained with the reduction in funding due to Potatoes NZ's withdrawal. The remaining vegetable groups agreed to fund a part-time research coordinator and continue under a chair appointed from within the board.

Promotion

Tomatoes NZ also continued contributions to the joint fresh promotions (vegetables.co.nz) and United Fresh, which undertake generic promotion of vegetables including tomatoes amongst consumers, chefs and retail.

Tomato Market Trends

Potatoes knocked tomatoes off the #1 vegetable perch for total spend in the 2013 Household Economic Survey – but only by a margin of \$400,000! Tomatoes have held the top spot for at least 10 years.

However, total household spend on tomatoes rose from \$99m in 2010 to \$118.7m in 2013. That figure excludes hospitality purchases but includes farmers markets, independent retailers and supermarkets.

Alasdair MacLeod
Chairman, TomatoesNZ