

Commodity Levy Proposal 2024

Since the last levy commodity renewal vote in 2018, fresh tomato growers have faced many challenges.

From the shortage of all inputs especially labour during the Covid years, to the rising costs of growing and increase in compliance measures. At each stage TomatoesNZ has worked tirelessly, often behind the scenes, offering advice, advocating to government agencies and trying to ensure the best outcomes for our growers.

At a glance

The purpose of TomatoesNZ is building a resilient, sustainable and profitable New Zealand tomato industry.

We do this by:

- Advocating for government policy that supports tomato growing in New Zealand
- Working in collaboration with other vegetable product groups and HortNZ to have a strong and united voice to the government and the public sector
- Using grower levies to fund research projects to enhance production including with less dependency on chemical controls
- Hosting grower workshops to help translate outcomes from our research projects
- Supporting industry decarbonisation. This involves multiple policy work streams such as advocacy for retaining industrial allocations, to operational activities such as conducting energy audits and creating plans to lower energy use and emissions
- Providing up-to-date online tools, resources and compliance guidelines
- Working with MPI's Biosecurity NZ to ensure the industry is ready to respond to tomato pests
- Facilitating market access for exporting tomatoes
- Helping growers navigate challenges, build resilience and understand government regulations
- Enabling growers to learn from the experience of other growers
- Ensuring that fresh, healthy New Zealand-grown produce is promoted to increase consumer consumption





Looking back

Research, development and extension

Since 2018, TomatoesNZ has benefited from various R&D projects. Examples of this:

Three-year financial support for a local Pukekohe company F-Tek to develop a prototype Robotic Labour Assist Platform (RLAP) for greenhouse tomatoes. This successfully moved down rows of plants in a greenhouse, unclipping the strings and twisting them. At a time when labour was becoming scarce, this machine offered precision in this time-consuming task, that could operate 24 hours a day, 7 days a week without the need for humans once it was programmed.

The use of bio-controls for pest management. TomatoesNZ supported various researchers at Lincoln University including Dr Charles Merfield, Shola Olvanivan and more recently, Emiliano Veronesi. All 3 academics have used lab-based research into bio-controls for tomato potato psyllid (TPP). This work showed huge potential and in late 2022, together with funding from MPI via A Lighter Touch, TomatoesNZ joined up with Bioforce NZ to trial the findings in commercial greenhouses around New Zealand. This trial is already showing positive results and has expanded to focus on whitefly and other common greenhouse pests. In an environment where growers report that chemical controls are having little to no effect on tomato pests, TomatoesNZ is supporting this work to give growers proven alternatives as part of a whole Integrated Pest Management programme.

Working in partnership with Vegetables NZ and the government agency, the Energy Efficiency and Conservation Authority (EECA), we have developed a wide range of articles and tools for covered crop growers to reduce their energy use. We know that most tomato growers use energy to operate their greenhouses, providing New Zealanders with fresh tomatoes year-round. We are also aware that the cost of fuel has increased considerably. The advice available on the EECA sector decarbonisation website ranges from measures that a grower might be able to do themselves for little cost, such as pipe insulation, to applying for funding for installing larger pieces of equipment. The aim of this work is to save growers money on energy bills as well as being good for mitigating climate change.

Promotion and advocacy

TomatoesNZ has supported various promotions over the last 6 years to ensure consumers are reminded of the health benefits of the humble tomato. There has been regular contributions to Vegetables.co.nz who promote consumption of fresh vegetables with meal preparation educational tools for intermediate school teachers. TomatoesNZ has also regularly teamed up with other organisations for seasonal promotion of tomatoes over spring and summer through our paid membership of United Fresh and extra promotions with 5+ A Day.

Our Key Concerns document was first produced in 2022 to highlight the main issues that tomato growers are facing. This is a living document, updated regularly and used to discuss the needs of the industry with government officials and policy makers.

TomatoesNZ has also participated in tours of growing sites for government agency officials and policy makers to show them the reality of issues being faced.

Biosecurity

Approval for levy payments to include a separate levy specifically for biosecurity work.

Advocated for Australian tomatoes to be legally required to display irradiation labelling online and in store, thus ensuring that fruit fly risks to growers and the wider horticulture industries are strictly controlled.

Being involved in a simulated response for *Tuta absoluta* with Biosecurity NZ leading to a literature review and now an operational specification manual developed to help the response time frames and overall outcome in the event of *Tuta absoluta* being discovered in NZ.

Worked with GIA partners in responses to Fruit fly (Auckland 2019), Pepino Mosaic Virus (Auckland 2021), PSTVd (Tasman 2022). Seed testing by MPI also picked up Tomato Brown Rugose Fruit Virus (ToBRFV) in 2020 which led to the destruction of all the seeds, plants and plant material in the seed lot being destroyed and the disease successfully prevented from spreading any further.

Biosecurity work has also included the development of Code of Practices to remind growers of best greenhouse hygiene practices, pest factsheets to remind growers of what to look for when scouting their plants as well as workshops for education purposes.

TomatoesNZ continues to work alongside GIA partners for fruit fly and BMSB.

Our future focus

With the support of tomato growers, the TomatoesNZ board would like to continue the important work of supporting tomato growing in New Zealand.

We sought your feedback on what you would want us to continue to do, along with what you would like us to do more or less of and as a result are now presenting this levy proposal to you.

Ultimately we want to ensure that growers can prosper while continuing to offer domestic fresh, safe and nutritious produce to New Zealand consumers. The climate events of recent years have shown us the need to be resilient across multiple areas, including the roading networks to enable fresh fruit and vegetables to be delivered throughout New Zealand.

Policy areas that we will focus on include continuation of the decarbonisation policy advocacy so that growers have the necessary support to achieve government goals, but there are also new concerns with current restrictions that limit where greenhouses can be built needing to be reworked or ensuring that NZGAP remains the primary requirement for growers when completing compliance measures.

With your agreement, we will continue to invest in research that addresses current challenges for growing tomatoes, along with the other activities that we have undertaken over the last 6 years.

TomatoesNZ will continue to seek ways of collaboration with other vegetable product groups so that we have one strong, united voice for advocacy, that delivers the most value for our growers while ensuring that tomato growers' concerns are heard. This will allow for shared resources, in areas such as education, R&D and other opportunities, to ensure that money is being used to maximum effect.

Continuing to ensure that both importers and retailers follow the biosecurity measures in place regarding irradiation, to keep fruit fly out of New Zealand.

Working with Biosecurity NZ on readiness projects so that in the event of an incursion, there is an agreed plan already in place for how this will be managed. This will ensure that the outcomes of a response (which could be elimination or eradication) are more likely to be successful and costs are kept in check. The next focus for readiness work is *Tomato Brown Rugose Fruit Virus* (ToBRFV).

Working with nurseries and growers to ensure best practice hygiene measures are in place at each stage of the growing cycle – from the imported seed, to the nursery environment, greenhouse and crates taking the fresh tomatoes to market.

If you have any questions:

Please email the TomatoesNZ board chair, Barry O'Neil, barryoneil@keronlea.nz or phone Barry on 022 108 7007.

The levy voting process

Tomato growers will need to cast at least **2 votes**, one for TomatoesNZ and one for Horticulture NZ.

The current fresh tomato Commodity Levy expires in 2025. You will be sent voting forms ahead of the voting period 15th May – 14th June 2024. You will be asked to vote whether you are for or against the proposed fresh tomato Commodity Levy.

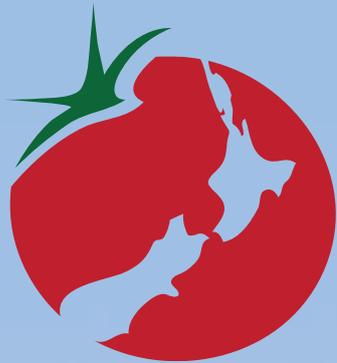
TomatoesNZ supports the wider policy, advocacy and extension work that HortNZ undertakes. We strive to ensure that the two organisations have complementary workstreams.

TomatoesNZ has sought feedback on the proposal via workshops, online webinars and via email. Following this process, the TomatoesNZ board would like you, the growers, to vote on this final proposal.

When you receive the link to the voting papers by email or text, please complete both sections - either to support this proposal or not and the value of your production.

What's proposed?

TomatoesNZ proposes **no change** to the current **Commodity Levy of 0.35%**



35_c
PER \$100

at first point of sale for both domestic and export sales

The maximum rate is currently set at 0.50% per \$100 with the annual rate set every year as proposed by the board and with agreement by you the members, at the AGM.



The vote will be carried out on both a 'one grower one vote' and a 'value of production' weighted basis. Growers will be asked to state their value of fresh tomato production in the last 12 months.

For the referendum to be successful, TomatoesNZ must receive a minimum 'yes' vote for over 50% of the total number of fresh tomato growers AND those growers who have voted, must represent more than half of the total value of the fresh tomato crop produced during the preceding 12 months.

If the levy order is supported by growers, TomatoesNZ will apply to the Minister of Agriculture for a new Commodity Levy Order. If growers do not support the levy order, TomatoesNZ will have no secure funding beyond March 2025 and would not be able to continue to operate.