



**ADVOCATE,
PROTECT &
ENHANCE**

— SINCE 1994 —

25 YEARS OF NZKGI

*NZKGI was created by New Zealand kiwifruit Growers
for New Zealand kiwifruit Growers*



Prior to the formation of NZKGI, Grower representation had been through Grower members of the New Zealand Kiwifruit Marketing Board and through the NZ Fruitgrowers' Federation, made up of eight regional Directors each with individual fruit sector responsibilities, one of which was the kiwifruit sector.

The first steps to form NZKGI began in late 1992 after a disastrous marketing season which left Growers facing a huge debt.

A new industry representative structure between the Fruitgrowers Federation Kiwifruit Sector Committee, the Kiwifruit Growers Association, the Production Board and Integrated Kiwifruit Services was discussed in 1993, eventually leading to the creation of the Kiwifruit Industry Working Party with a sub-committee to look at the business activities of the Kiwifruit Marketing Board.

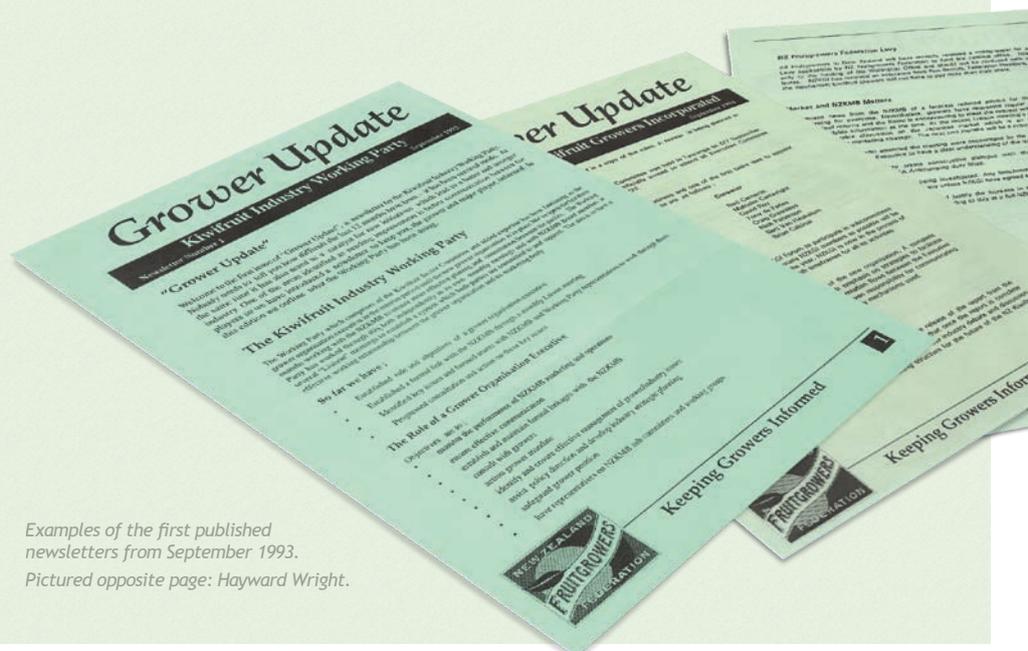
By 1993, the working party had reached a majority agreement on a one tray, one vote formula for electing officers to the new Growers' organisation and in early March 1994 the articles of association were sent to Growers. Sue Pickering became the first Executive Officer for NZKGI in 1994 and before that performed the same role for the Kiwifruit Industry Working Party.

The first NZKGI Executive Committee was elected with Hendrik Pieters as President and Tony de Farias as Vice President. The other members of the Executive were: Nick Patterson, Rob Cameron, Malcolm Cartwright, Craig Greenlees, Bert van Heukelum and David Roy.

NZKGI ANNUAL REPORT 2019

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Examples of the first published newsletters from September 1993.
Pictured opposite page: Hayward Wright.



The stated aim of New Zealand Kiwifruit Growers Incorporated was:
“to develop a secure and stable kiwifruit industry for the benefit of New Zealand producers of kiwifruit”.

Its objectives were:

- **To use** its best endeavours to improve the net return to Growers for the kiwifruit that they produce
- **To encourage** the involvement of all Growers in NZKGI so that they can be consulted and so that their views can be fairly represented
- **To monitor**, measure and report to Growers on the performance of all facets of the New Zealand kiwifruit industry
- **To represent** the views of Growers to any person or organisation to which those views should be represented to further the aims of NZKGI
- **To assume** the obligations of the New Zealand Fruitgrowers Federation under the Kiwifruit Marketing Regulations 1977
- **To become** the industry organisation for the New Zealand kiwifruit industry for the purposes of the Commodity Levies Act 1990
- **To act as a link** between Growers and Exporters
- **To consider** and make recommendations to Growers and other interested parties with respect to the future of the New Zealand kiwifruit industry
- **To work** with other fruit Grower organisations both in New Zealand and overseas where that will assist in furthering the aims of NZKGI
- **Generally** to do anything that NZKGI considers to be in furtherance of its aims

NZKGI’s first annual general meeting was held in Tauranga on Thursday March 23, 1995, attended by more than 100 Growers.

NZKGI, which saw itself as the Growers’ watchdog over the NZ Kiwifruit Marketing Board (NZKMB), also organised regular liaison meetings with NZKMB Executives, which any Grower could attend and ask questions. The aim was for the meetings to be as open and transparent as possible.

As well as establishing itself as a new grower organisation, NZKGI addressed a number of other issues including fruit loss, hail and frost insurance, collaborative marketing and the industry’s strategic review. It also sent a delegate, Hendrik Pieters, to the 1994 International Kiwifruit Organisation conference held here in New Zealand.

In 1996, it was announced that the office of NZKGI was moving to the Bay of Plenty and Justine Falkenhaus was appointed as NZKGI’s new Executive Officer.

In 2019, NZKGI continues in its role as the voice for New Zealand’s 2,600 kiwifruit Growers, providing practical support and acting as an advocate for the industry at government level. NZKGI is committed to leading Growers through industry growth and change, to making key decisions and working with industry partners to build a successful and sustainable kiwifruit industry for all.



In 2019, we celebrate 25 years of NZKGI.

It is a testament to the courage, effort and vision of many early Growers that NZKGI was formed. We still hold the original core values today, and I am proud to lead a team that represents and advocates for Growers and engages with industry partners to build a successful and sustainable industry.

Doug Brown – NZKGI Chairman



Kathmandu

CHAIRMAN'S REPORT

DOUG BROWN

*This year's harvest saw SunGold exceed
Hayward in volume for the first time.*

This is a watershed moment for the industry which underlines its rapidly changing face and the way it is not only growing from a volume perspective but also from a multi-varietal-mix perspective. Our kiwifruit sets the benchmark worldwide and our breeding program has many exciting varieties in the pipeline. There is massive opportunity ahead for Growers but constraints around labour and water will continue to be an issue at least for the short to medium term.

In 2019, we celebrate 25 years of NZKGI, an organisation that was formed out of a deeply divided industry in the midst of a financial crisis. It is a testament to the courage, effort and vision of many early Growers that NZKGI was formed. We still hold the original core values today, and I am proud to lead a team that represents and advocates for Growers and engages with industry partners to build a successful and sustainable industry.

In conjunction with the 25-year anniversary, we celebrate the industry's pioneers in the launch of our book 'Seeds of Success'. Award-winning journalist Elaine Fisher has written the book for NZKGI which captures the reflections and stories of the pioneers of the industry.

This year NZKGI took another step forward in working hard for Growers.

Following on from our work on the Labour Needs Analysis, we launched our industry Labour Attraction Strategy. We also created a new Labour Coordinator position with funding from the Provisional Growth Fund and the Ministry for Social Development.

I welcome Gavin Stagg to the role who is responsible for managing seasonal recruitment in conjunction with industry. Gavin's appointment is a key part of NZKGI's labour recruitment strategy. He is excited by the initiatives already underway and the opportunity to build a collaborative response to our labour demands.

Another staff change this year was the departure of Policy Analyst Katy McGinity and the appointment of Senior Policy Analyst Sarah Cameron. By creating this position, NZKGI has recognised the increasing importance of policy changes to our Growers. Sarah is responsible for consulting with industry stakeholders and other agencies as well as providing analysis, research and advice on policy changes especially in the area of water. Sarah also manages our External Relations portfolio which includes Health & Safety. We have produced a number of publications for Grower use around Health & Safety and employment issues which have proven very popular.

The NZKGI staff contributed to another successful Young Grower of the Year competition and the awards night has become a real celebration of young people in our industry. I am always impressed by the passion these young contestants display and they are all winners on the night. I'd like to congratulate our Project Manager Renee Fritchley who was supported this year by Rose Webb.

Lynda McCalman our Performance & Supply Manager produced quarterly and annual KPI reports for Zespri. Lynda has left us in June this year and we thank her for her work with NZKGI.

Mike Murphy, in addition to his busy Communications portfolio produced another epic Grower Debate that entertained a large audience in November. A really good night of light-hearted debate and we would encourage Growers to be a part of this year's debate.

Another highlight this year was helping negotiate an increase in the RSE numbers available for the industry of which an addition of almost 400 were allocated to the Bay of Plenty.

This is just a small snapshot of the work Nikki and her team are doing working hard for Growers. Nikki has further raised NZKGI's profile in Wellington and the wider industry. Nikki and her staff are really putting the effort to get better outcomes for Growers.

This year we lost Rob Craig from the Forum and I'd like to take this opportunity to thank him for his many years of service to the industry; he is replaced by Karen Roche. We also welcomed Whetu Rolleston and Sally Gardiner to the NZKGI Executive Committee who bring experience and a greater diversity with them.

As always it's been my pleasure to lead a passionate and committed team working hard for Growers.



Doug Brown — NZKGI Chairman



CHIEF EXECUTIVE'S REPORT

— NIKKI JOHNSON —

I am proud to present the 2019 Annual Report showcasing the many and varied achievements of the NZKGI staff on behalf of our Growers and the wider industry.

In every portfolio we have extended our activities and our reputation as the independent kiwifruit Grower advocate. In 2018, we operated well within budget but the reduced crop in 2019 and the increased activities does mean a budgeted loss for 2019 and 2020. However, the organisation is in good financial shape and no change to the levy is proposed.

NZKGI successfully obtained Government funding for a two-year Labour Coordinator role which was implemented just prior to the 2019 harvest. A second Government funded staff member will join the team for three years in 2019 in an Education Coordinator role. These positions enable NZKGI to focus on addressing seasonal and skilled labour supply as the industry grows.

The decision to refocus our External Relations input through a Senior Policy Analyst role has enabled us to monitor fast-moving local and regional Government policy changes. We are focused on identifying areas that may impact on kiwifruit Growers and

representing their interests, in many cases alongside Horticulture NZ. The industry wide Water Strategy project was initiated by NZKGI to provide a cross industry approach to this critical issue. Policy in this area is moving fast and will impact on kiwifruit Growers and the Water Strategy will help the industry proactively prepare and respond.

A Kiwifruit Labour Attraction Strategy was initiated by NZKGI following the 2018 labour shortages to proactively attract workers prior to the 2019 harvest. Significant Grower funds were invested on behalf of the wider industry to attract New Zealanders and backpackers to picking and packing roles. Social media was a big part of the strategy and NZKGI was able to share key messages with prospective employees. We will be reviewing this investment over the coming months but feedback to date is that the strategy had a positive impact on worker availability for the 2019 season.

The Performance and Supply Portfolio successfully developed reports on Key Performance Indicators (KPI) for Zespri.

There are both quarterly and annual reports which provide Growers with a clear view of how Zespri is performing. The KPI reports will evolve over time and feedback is requested from Growers on which metrics they would like to see reported to ensure they stay current.

It has been a big year for the Communications Portfolio and it is exciting to be able to launch the 'Seeds of Success' book in the year of our 25th anniversary. It has been a visionary project achieved through the dedication of the Editor and our Communications Manager, with industry support. NZKGI is now recognised as a key industry commentator by media and we focus on driving outcomes for Growers through this outlet.

Feedback from our Grower members is very valued by the NZKGI team, please take every opportunity to tell us your thoughts. We look forward to continuing to work on your behalf.



NZKGI PORTFOLIO

INDUSTRY STABILITY

NZKGI CEO Nikki Johnson talks with the Prime Minister Rt Hon Jacinda Ardern and Zespri CEO Dan Mathieson at Fielddays.

Government Relations

During the last year NZKGI has increased our profile with Central Government Ministers and Officials who have a direct impact on the industry. Discussions on issues affecting Growers have been held with:

- Prime Minister
Rt Hon Jacinda Ardern
- Biosecurity and Agriculture Minister
Hon Damien O'Connor
- Finance Minister
Hon Grant Robertson
- Regional Development Minister
Hon Shane Jones
- Employment Minister
Hon Willie Jackson
- Labour and Immigration Minister
Hon Iain Lees-Galloway
- Officials from Ministry of Social Development, Immigration New Zealand, Ministry for Primary Industries and Ministry of Foreign Affairs and Trade, Ministry of Business, Innovation and Employment.



Doug talks with French kiwifruit Growers following the International Kiwifruit Organisation conference in France.

International Grower Relations Strategy

Building relationships with Growers in other kiwifruit producing countries continues to be a focus and was achieved through attendance at the International Kiwifruit Organisation meeting. At IKO, NZKGI introduced our monitoring of Zespri KPIs and shared information on key issues facing New Zealand Growers. Meetings with Government officials and industry participants in Chile in 2018 provided information sharing and relationship building opportunities. We are confident there is now a deeper understanding how New Zealand Growers support the SPE and how NZKGI monitors Zespri's performance.



Kiwifruit Industry Strategy Project (KISP) Implementation

With the successful Producer Vote in 2019, all of the key KISP recommendations have now been implemented. The KISP vote was held in 2015 and the outcomes supported by Growers have been progressed since then. NZKGI will now focus on ensuring these outcomes remain fit for purpose specifically focusing on the revised margin methodology and monitoring Zespri Key Performance Indicators.

PERFORMANCE & SUPPLY



The Performance & Supply portfolio continues to monitor Zespri and industry performance to ensure the industry works in the best interests of all Kiwifruit Growers.

The performance and supply work undertaken by NZKGI in 2018/19 can be broken down into two key components:

1. Monitoring activities

NZKGI monitors Zespri and industry performance to ensure it operates in the best interests of all kiwifruit Growers and that they are always top of mind in industry decision making.

2. Industry activities

NZKGI works with all players to understand industry dynamics, establish and maintain important industry relationships and position NZKGI as a credible voice for effective representation of Growers.

Key objectives achieved during the year include:

Key Performance Indicators (KPIs)

Established an independent monitoring program of Zespri to ensure that Growers are assured of Zespri performance and effectiveness of process. Produced and released an Annual and Quarterly KPI Performance Dashboards that showed trends over time to gauge whether Zespri are on target as they work towards their strategic goals. 16 performance metrics were reported over the course of this financial year.

Grower Pool Audit Follow-up

Monitored the completion of amendments made to the Zespri Pool Policy manual that were identified in the 2017/18 NZKGI facilitated audit over the Zespri administered Growers' Pool.

KiwiStart, Time and Taste Committee (KTTC)

A small committee of Forum members was established to review the KiwiStart and Time models, as well as the Maximum Taste Payment (MTP). The committee were satisfied that the models were working satisfactorily, however identified some areas that could be improved. Principles papers for KiwiStart, Time and Crop Management were also developed.

Grower Fact Sheets

Led in the proactive sharing and transparency of information to Growers with the production of topical fact sheets. Dedicated subjects have included the 2019 Hail Insurance Cover, Gold3 and the use of Regression Analysis, Pool Insurance Policies, Supply Agreement Training, Supply Agreement Schedule 5, and Loyalty Payments.

Supply Agreement Training

NZKGI continues to work to grow the level of industry understanding of the Supply Agreement. Our independent Supply Agreement Training was updated this year and a new trainer from within the industry

was contracted to deliver the training. Six courses were provided to Growers, Supply Entities and industry players e.g. banks. Feedback on the course has been excellent, earning an average delivery assessment score of 4.6/5.

Supply and Payment Oversight

NZKGI monitors industry supply and payment issues continually during the year through regular meetings between Zespri's Senior Executive and Supply team and NZKGI's Executive and Forum members. Two Grower representatives participate in the Industry Supply Group (ISG) meetings and five Grower representatives participate in the Industry Advisory Council (IAC), to work towards equitable outcomes for all Growers around supply and payment issues.

Supply Chain End to End Process

The NZKGI ISG representatives and Performance & Supply Manager participated in an ISG market visit to the USA, Japan and China. They valued seeing the whole industry picture and the work that goes in throughout the total supply chain to deliver a premium product to the market. This facilitates a more proactive and knowledgeable approach to portfolio activities.

Above image: ISG Market Visit participants.

NZKGI PORTFOLIO

COMMUNICATIONS



In 2018/19 the Communications portfolio has shown its value to kiwifruit Growers through success in key projects such as NZKGI's labour attraction campaign.

The Communications portfolio continues to work from a strategic mindset. The portfolio ensures that NZKGI's outputs are aligned with the organisation's mission and vision and that these are communicated to both Growers and external stakeholders, including the outputs of NZKGI's other portfolios.

A key project for the Communications portfolio over the last year has been managing the organisation and promotion of NZKGI's 25th year of becoming an incorporated society. The anniversary is a great opportunity to both increase the organisations presence and place recognition on the important role NZKGI has plays in advocating for kiwifruit Growers over the last 25 years.

2019 sees the completion of NZKGI's book 'Seeds of Success - the stories of New Zealand's Kiwifruit Pioneers'. The book records the personalities and innovations of kiwifruit pioneers while the industry is still relatively young. Elaine Fisher was contracted to write the book which will be used as a reference for future years.

At the core of the Communications portfolio remains the importance on keeping Growers informed on industry information. One output of the Communication portfolio, the NZKGI Weekly Update newsletter continues to lead the horticulture industry as the weekly publication for Growers.

Distributed on a Friday afternoon, the newsletter ensures Growers are kept up-to-date on current industry topics. Additional sources of Grower communication managed by the Communication portfolio include the NZKGI website and print collateral from NZKGI's other portfolios. NZKGI's Communication portfolio also continues to communicate to Growers through other industry publications such as the Kiwifruit Journal and Kiwiflier.

NZKGI's event The Great Grower Debate took place again in 2018 with the topic of 'the kiwifruit industry is a good New Zealand citizen' which was well attended by people from across the kiwifruit industry. The debate is scheduled to take place again in October 2019.

Managing media also continues to be a central focus of the Communications portfolio. Utilisation of the media to share NZKGI's perspective on industry topics such as labour, adverse events and industry growth to a wider group of stakeholders and the general public has been widely successful. Over the last year, hundreds of articles published on the kiwifruit industry both nationally and internationally, of which the Communications portfolio has ensured NZKGI has had a dominant voice. Articles in the media have had well over 170 direct quotes from NZKGI over the last year.

The Communications portfolio has continued to strengthen relationships with communicators of stakeholder organisations to share messaging. The Kiwifruit Industry Communications Group continues to be an NZKGI-led mechanism to foster a unified voice and share key messaging.

The Communications portfolio manages preparation and responses to adverse events with organisations such as the Rural Support Trust and Zespri and is involved in the establishment of a Rural Coordination Group to gather and disseminate information on where support to Growers can be best provided. The portfolio has also communicated to Growers on adverse events over the year such as the Tasman District fires and drought and updates on the Queensland Fruit Fly finds. NZKGI has continued to promote pastoral care and has worked over the year with the Rural Support Trust and Future Leaders. NZKGI is also strengthening its relationship with FarmStrong.

Above image: NZKGI organised the media on a pastoral care talk with Mike King to horticulture stakeholders on the day he was named New Zealander of the year, resulting in substantial publicity on wellbeing and NZKGI.

NZKGI PORTFOLIO

EDUCATION

NZKGI focuses on using limited resources to enhance the perception of horticulture as a career option, exposing students to the wide range of businesses and opportunities available.



Cultivate Your Career

In Opotiki in November 2018, students from Eastern Bay of Plenty schools in years 9 and 10 were invited to attend Cultivate Your Career to get a taste of working in the kiwifruit industry. The day had a practical focus with students learning to graft and hand pollinate kiwifruit flowers. In May 2019, NZKGI partnered with Priority One to deliver the Western Bay of Plenty Cultivate Your Career event which was attended by 280 secondary school students from across the region. Two different tours were available for students to choose from including a business-themed tour and a science-themed tour, with students on the business tour visiting MPAC, Jenkins Freshpac Systems and receiving an HR presentation from Savvy HR. The science tour visited Eurofins, BeeNZ, Apata and received a presentation from Xerra Earth Observation Institute. A second Cultivate Your Career event will take place in the Eastern Bay of Plenty later in 2019.

Bay of Plenty Young Fruit Grower Competition

NZKGI was proud to organise this event alongside the Bay of Plenty Young Fruit Growers Upskilling Committee and this year there were more applications than positions available proving the value of the event. The 2019 competition day was held at Te Puke A&P Show with the gala dinner taking place at Trustpower BayPark. The gala dinner was sold-out with 420 guests in attendance and was hosted by entertainer Jackie Clarke.

Alex Ashe from Farmlands took out the 2019 title and will go on to represent the Bay of Plenty at the National Young Grower competition being held in the Bay of Plenty in October.

The Kiwifruit Book

In 2018, the Kiwifruit Book was professionally designed for the first time and this resulted in an increase in interest from teachers, Growers and members of the industry wanting to obtain a hard copy of the book. 200 copies of the book were sent to secondary schools and Growers throughout New Zealand and an electronic copy was also made available for download on NZKGI's website.





Educational Resources

In addition to the Kiwifruit Book, two new educational resources were developed over the reporting period, including a summary table of horticulture qualifications showing the different options for those wishing to upskill, and a Horticulture Career Pathways booklet for distribution at careers expos.

Tertiary Training Providers

NZKGI continues to work alongside tertiary training providers through chairing the Kiwifruit & Avocado Industry Tertiary Training Group and sits on the Primary ITO Stakeholder Council.

Katikati College Horticulture Programme

NZKGI is a strong supporter of the Katikati College Innovative Horticulture Programme. The programme is now in its second year and caters for multiple pathways through education into industry, from direct entry into employment or cadetship through to entry into tertiary courses.

Future Leaders

Future Leaders was established in 2014 to develop potential future leaders of the kiwifruit industry by engaging them through regular learning, networking and social activities.

Currently there are over 180 members who range from all aspects of the horticulture industry – orchard workers, post-harvest employees, rural bankers and horticultural consultants who can attend regular free or subsidised events and network with like-minded people.

Events for 2018/2019 included:

- **Annual quiz night** – a fun night pitching team against team to be crowned the best of the industry
- **Tour of Comvita** – an opportunity to see behind the scenes of an iconic Bay of Plenty health company
- **Port of Tauranga** – a bus tour of the operations of the Port of Tauranga
- **A Morning with Mike King** – with over 200 attendees Mike shared his story and his work with mental illness and suicide prevention with the kiwifruit industry prior to the busy harvest season

The Future Leaders committee has more exciting events planned for the remainder of 2019.

Alex Ashe from Farmlands took out the 2019 title and will go on to represent the Bay of Plenty at the National Young Grower competition being held in the Bay of Plenty in October.

LABOUR

Labour Needs Analysis

In 2018/19 NZKGI implemented a second round of monitoring the industry's seasonal labour needs. Analysis of the data collated from survey responses will provide the information that we need as an industry to continue discussions with Government on the extent of the forecast labour shortfalls and mechanisms to resolve them. In 2019, data collection was extended to include permanent as well as seasonal roles. This information will assist in developing an education and training strategy for the industry.

Labour Attraction Strategy

In response to the labour shortage experienced during the 2018 season, NZKGI initiated the development of a Labour Attraction Strategy in advance of the 2019 harvest. Through the strategy NZKGI identified the target audience and developed a range of initiatives to attract people to the industry by:

- Improving the perception of the industry as an attractive place to seek casual work
- Exploring partnerships with potential sources of labour
- Reaching out to neighbouring regions and farming communities
- Correcting misconceptions about employment within the industry and communicating applicable information to job seekers and employees
- Connecting with job seekers and employees through social media
- Attracting backpackers with Working Holiday Visas
- Exploring collaboration between harvest and post-harvest organisations

The campaign continued through to the end of harvest and initial feedback is that it was successful in lessening although not eliminating labour shortages. A full review will be undertaken before determining if the campaign should continue for other seasonal work and into future harvests.

Declaration of Labour Shortage in the Bay of Plenty

The Ministry of Social Development declared a labour shortage in the Bay of Plenty from 15 April until 27 May in 2019. The labour shortage declaration allowed individuals on visitor visas to apply to vary the conditions of their visas to work in the kiwifruit industry in the Bay of Plenty for the period of the declaration. As a result of the declaration over 400 people applied to vary the conditions of their visas which contributed to alleviating the worker shortage during the peak harvest period.

Seasonal Workers

As part of the Labour Attraction Strategy, NZKGI has established a Facebook page, *Kiwifruit Jobs New Zealand*, to attract seasonal workers and promote a positive image of the industry.

NZKGI continues to Chair the Bay of Plenty Labour Governance Group as well as represent the kiwifruit industry at the National Labour Steering Group. In 2018, the BOP Labour Governance

Labour Coordinator

NZKGI was successful in gaining funding from the Provincial Growth Fund and the Ministry for Social Development to appoint a full-time Labour Coordinator for a 2 year project. The Labour Coordinator position is responsible for undertaking seasonal recruitment initiatives in conjunction with industry. Gavin Staggs joined the staff in March 2019 and had over 800 contacts in his first three months in the role.

Group was restructured with the development of six working groups and an overarching strategy group to progress initiatives in the areas of Labour Utilisation, Immigration, Education & Training and Pastoral Care, Accommodation/Transport and Business Analysis. NZKGI also works closely with members of industry, government and local council on seasonal accommodation availability.

Looking after our Industry's Workers

NZKGI continues to take a strong lead on compliance matters to ensure members of the industry are being treated well. NZKGI chairs the Industry Labour Compliance Governance Group and participated in the Labour Compliance Working Group to set the standard for contractor approval. It is mandatory for all contractors to register with Zespri and pass a Global GAP/GRASP audit and, as a condition of supply, Growers must only use registered contractors on their orchards. NZKGI is actively seeking feedback from employees on poor worker compliance and is working to resolve these issues alongside Zespri and other agencies as appropriate.

EXTERNAL RELATIONS



Senior Policy Analyst

Sarah is involved with industry Health and Safety Committees and recently met with Sam Whitelock in his role as a FarmStrong ambassador.

Regional Authorities

With the appointment of Sarah Cameron to the role of Senior Policy Analyst in 2018, NZKGI has been able to increase its focus in the External Relations portfolio. The portfolio has the strategic objective of facilitating effective communication between NZKGI and the wider industry and community. It includes ensuring that regional and national policy setting and the implementation of that policy considers the needs of kiwifruit Growers.

NZKGI has also been developing relationships across local government in the BOP including Regional Council, Western Bay of Plenty Council, Tauranga City Council, Opotiki District Council and Whakatane District Council alongside SmartGrowth and local NZ Transport Authority representatives. In other kiwifruit growing regions Horticulture NZ (HortNZ) takes the lead role but Sarah regularly obtains updates from HortNZ and seeks to have input into developments in these regions to make sure that kiwifruit Grower interests are being represented. With the new Senior Policy Analyst position now in place, Sarah intends to develop direct relationships in these regions for NZKGI in the coming months.

In terms of regulations, NZKGI has been providing a number of submissions on topics that are likely to have an impact for the industry. These include:

- Tauranga City Council Large Water Users Policy
- Future Development Strategy Western BOP
- Future Development Strategy Nelson District
- Reserve Bank Review of Capital Framework
- MBIE Review of the Plant Variety Act
- Western Bay of Plenty District Council Review of Post-Harvest Zones and Seasonal Accommodation
- Bay of Plenty Regional Council On-Site Effluent Treatment (Plan Change 14)
- Bay of Plenty Regional Council Water Quantity (Plan Change 9)
- Bay of Plenty Regional Council Air Quality (Plan Change 13)

NZKGI works collaboratively with HortNZ on regional plan changes where they may impact on kiwifruit. NZKGI provides input to HortNZ through Grower feedback. Recent plan changes include:

- Waikato Regional Council Proposed Plan Change 1 (Healthy rivers – Waikato and Waipa catchments)
- Opotiki District Council – District Plan
- Northland Regional Council – Regional Plan

Other hot topics that NZKGI are focused on include:

- **Seasonal accommodation**
NZKGI continues to work proactively on solutions to seasonal accommodation throughout the BOP region and provided input into the Western Bay of Plenty District Council review of postharvest zones and seasonal accommodation. NZKGI is working with the Ministry of Business Innovation and Employment on solutions to reduce compliance for seasonal accommodation.
- **Toilets on orchards**
NZKGI, together with HortNZ, are working with Bay of Plenty Regional Council on updated toilet regulations.

Water Strategy

To meet industry growth expectations, access to water is essential. Combined with pressures of climate change and population growth leading to increased competition for water, the way water is managed on orchard will need to change. NZKGI has taken the lead on the creation of an industry wide water strategy. The strategy identifies the challenges and opportunities for the industry and sets out a plan on how the industry will respond and deliver progress. The strategy is a collaborative effort involving Growers, Tangata Whenua, Water Consultants, Zespri and HortNZ. The aim of the strategy is to provide strong leadership and guidance to the industry on management of water on orchard. The strategy is expected to be published by mid-2019.

ORGANISATIONAL MANAGEMENT

Executive Committee



Doug Brown (Chair)
Industry Stability



Debbie Oakley
Performance



Whetu Rolleston
Communications



Mark Mayston
Labour and Education



Tony Leicester
Organisational Management, Education



Sally Gardiner
External Relations

NZKGI Staff Members



Nikki Johnson
Chief Executive



Mike Murphy
Communications Manager



Lynda McCalman
Performance & Supply Manager



Renee Fritchley
Project Coordinator



Sarah Cameron
Senior Policy Analyst



Gavin Stagg
Labour Coordinator

NZKGI's Executive Committee ensures that NZKGI is professional and well run, with maximum benefit for the levy investment received.

Following the 2018 regional representative elections, new Forum member packs were created and distributed to new Forum members. At this time of writing there is a vacancy for the NZKGI Waihi/Coromandel Regional Representative position. Strategic planning sessions have been held with both Forum and the Executive Committee. The rule changes proposed but not approved at the 2018 AGM have been postponed while Strategic Planning is completed.

NZKGI staff moved into their new tenancy in the new Zespri building on 8 April. Similar to the old building which was torn down to make room for more Zespri staff, NZKGI have their own entry and address, separate from Zespri. NZKGI now sit closer to KVH who are also tenants in the new building which offers more space for NZKGI staff as well as to host Growers and stakeholders.

Online communication between Forum members will be improved with a new online platform which will be utilised in the 2019/20 period. A cloud-based storage system was also implemented for Executive Committee members to access papers.

There were several staff appointments within NZKGI during 2018/19. Following the departure of Katy McGinity on her OE, NZKGI developed the Senior Policy Analyst role and appointed Sarah Cameron. Sarah's appointment has allowed NZKGI to provide greater focus and input into policy issues working closely with HortNZ. Utilising Government funding, Gavin Stagg was recruited in March as our Labour Coordinator to manage seasonal recruitment initiatives in conjunction with Growers, contractors and packhouses to ensure as much as

possible is done to meet the sector's worker requirements. Rose Webb was recruited on a part-time short-term contract as Events Coordinator to support the Bay of Plenty Young Fruit Grower Competition and the NZKGI 25th Anniversary event. In June, Lynda McCalman stepped down from her role as Performance & Supply Manager and as of this time of writing, recruitment to fill the vacancy has been initiated.

Diversity Reporting

In its second year of diversity reporting, the female to male ratio has increased in the Forum and Executive Committee and the male to female ratio amongst staff has also increased. While NZKGI recognises that diversity is much more than gender, this information is a starting point. As we achieve a greater understanding of the makeup of our industry, we look forward to seeing this diversity reflected in our organisation.





NZKGI

NEW ZEALAND KIWIFRUIT GROWERS

• MISSION • STATEMENT •

To advocate, protect and enhance the commercial and political interests of New Zealand kiwifruit Growers.

• OBJECTIVES •

LABOUR & EDUCATION

To develop an active and engaged membership base of Growers across New Zealand.

EXTERNAL RELATIONS

To facilitate effective communication between NZKGI and the wider industry and community.

COMMUNICATIONS

To be the voice and credible advocate of New Zealand kiwifruit Growers.

INDUSTRY STABILITY

To actively support and protect the single point of entry.

PERFORMANCE & SUPPLY

To be accountable for increasing transparency, robust KPIs, and reporting on Zespri and postharvest performance.

ORGANISATIONAL MANAGEMENT

To act responsibly and ethically on all economic, environmental, social, and regulatory issues to the benefit of NZKGI and the wider community.

• VISION •

A strong grower advocacy organisation that leads Growers and engages with industry partners.

STATEMENT OF FINANCIAL PERFORMANCE

New Zealand Kiwifruit Growers Incorporated
 For the year ended 31 December 2018

ACCOUNT	NOTES	2018	2017
Revenue			
Revenue from Provision of Services			
Commodity Levy		1,499,775	1,227,556
Pioneer Book Funding		66,189	0
Kiwifruit Employment Co-ordinator Funding		46,667	131,479
Total Revenue from Provision of Services		1,612,630	1,359,035
Interest and Investment Revenue			
Interest Received		10,279	6,121
Total Interest and Investment Revenue		10,279	6,121
Total Revenue		1,622,909	1,365,156
Total Revenue		1,622,909	1,365,156
Expenses			
Executive Committee & Forum Members	6	273,313	260,718
Staff Costs / Benefits	7	593,284	575,398
Employment Co-ordinator Costs		50,000	131,378
Communications		52,840	49,538
External Relations		33,713	36,147
Industry Stability		6,068	59,655
Labour / Education		85,819	36,427
Organisational Management		21,674	20,312
Performance and Supply		52,428	56,360
Pioneer Book Expenses		66,189	0
Overheads	8	132,176	134,776
Total Expenses		1,367,504	1,360,708
Net Operating Profit / (Loss) Before Tax		255,405	4,448
Provision for Tax			
Provision for Tax	13	2,598	1,434
Total Provision for Tax		2,598	1,434
Net Profit / (Loss)		252,807	3,014

These financial statements must be read in conjunction with the accompanying Notes to the Accounts and Audit Report.

STATEMENT OF FINANCIAL POSITION

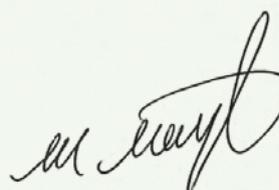
New Zealand Kiwifruit Growers Incorporated
 As at 31 December 2018

ACCOUNT	NOTES	31 DEC 2018	31 DEC 2017
Assets			
Current Assets			
Bank Accounts and Cash	3	1,207,962	880,023
Debtors		135,844	182,274
Total Current Assets		1,343,806	1,062,297
Non-Current Assets			
Fixed Assets		13,574	18,582
Intangibles		4,455	4,455
Total Non-Current Assets		18,029	23,037
Total Assets		1,361,835	1,085,334
Liabilities			
Current Liabilities			
Accruals and Provisions	4	44,016	54,449
Accrued Holiday Pay		20,185	28,711
Credit Cards		3,575	1,955
Creditors		60,783	35,889
GST Payable		20,386	10,039
Income in Advance	5	5,066	0
Loans		1,053	766
Tax Provision	13	799	362
Total Current Liabilities		155,864	132,171
Total Liabilities		155,864	132,171
Net Assets		1,205,971	953,163
Equity			
Retained Earnings		1,205,971	953,163
Total Equity		1,205,971	953,163

For and on behalf of the Society:



Doug Brown – Chairman



Mark Mayston – Vice Chairman

These financial statements must be read in conjunction with the accompanying Notes to the Accounts and Audit Report.

STATEMENT OF CHANGES IN EQUITY

New Zealand Kiwifruit Growers Incorporated
For the year ended 31 December 2018

ACCOUNT	2018	2017
Equity		
Opening Balance	953,163	950,149
Increases		
Net Surplus for the Period	252,807	3,014
Total Increases	252,807	3,014
Total Equity	1,205,971	953,163

These financial statements must be read in conjunction with the accompanying Notes to the Accounts and Audit Report.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

New Zealand Kiwifruit Growers Incorporated
For the year ended 31 December 2018

These summary financial statements have been extracted from the audited financial statements prepared for New Zealand Kiwifruit Growers Incorporated, and authorised for issue by the Board on 5 June 2019. The full financial statements were prepared as special purpose reports for the purpose of reporting to members.

The financial statements are prepared on a historical cost basis, and are presented in New Zealand dollars (NZ\$) and rounded to the nearest \$ unless otherwise stated.

These summary financial statements do not include all of the disclosures contained in the full financial statements and therefore do not provide as complete an understanding to readers as that which would be provided by the full financial statements. Full financial statements, which have been audited, can be obtained by contacting NZKGI via the following:

Phone: **0800 232 505**

Postal address: **PO Box 4246 Mount Maunganui South 3149**

Email: **info@nzkgi.org.nz**

BUDGET

New Zealand Kiwifruit Growers Incorporated

	2018 ACTUAL	2019 AGM BUDGET	2020 AGM BUDGET
Income			
Commodity Levy	\$1,499,775	\$1,480,000	\$1,550,000
Interest Income	\$10,279	\$6,300	\$8,000
Project Income	\$112,855	-	\$60,000
TOTAL INCOME	\$1,622,909	\$1,486,300	\$1,618,000
Expenses			
Exec Cmte & Forum Members	\$273,313	\$351,699	\$302,500
Staff	\$593,284	\$649,849	\$667,758
Overhead Expenses	\$132,176	\$167,894	\$176,331
Industry Stability	\$6,068	\$49,000	\$44,500
Communications	\$52,840	\$69,775	\$65,000
Performance	\$52,428	\$69,900	\$71,000
Labour/Education	\$85,819	\$48,690	\$234,413
External Relations	\$33,713	\$54,791	\$54,895
Organisational Management	\$21,674	\$34,425	\$29,200
Project costs	\$116,189	-	-
TOTAL EXPENSES	\$1,367,504	\$1,496,022	\$1,645,598
Net Operating Profit / (Loss) Before Tax	255,405	(9,722)	(27,598)
Provision for Tax	\$2,598	-	-
Net Profit / (Loss)	252,807	(9,722)	(27,598)
Prior Year Retained Earnings	953,163	1,205,971	1,196,249
Retained Earnings Year End	1,205,971	1,196,249	1,168,651

25 YEARS OF THE KIWIFRUIT INDUSTRY

