



**INNOVATIVE  
LEADERSHIP**

*Succeeding Through Change*



**NZKGI**  
NEW ZEALAND KIWIFRUIT GROWERS

— VISION —

**INNOVATIVE LEADERSHIP  
— SUCCEEDING THROUGH CHANGE**

— VALUES —

**INTEGRITY, RESPECT,  
ACCOUNTABLE, INDEPENDENT**

*Kiwifruit is  
New Zealand's  
largest horticultural  
export product.*

**The kiwifruit industry is continuing to grow significantly, creating jobs and generating substantial revenue. With such extensive growth predicted, there's an even greater need for the Growers' voice to be heard and NZKGI will be there to advocate, support and protect New Zealand's Growers.**

In recognition of this growth, the NZKGI Forum and Executive Committee with support from the NZKGI staff went through a process of strategic review in 2019. Following several facilitated sessions with the Forum, the Executive Committee and Staff agreed to update the Visions and Values to better reflect how the organisation operates. The result, endorsed by the NZKGI Forum, was a new vision Innovative Leadership – succeeding through change as well as new values of Integrity, Respect, Accountable and Independent.

'Innovative leadership' is what we, NZKGI as an organisation, want to provide for our Growers. 'Succeeding through change' is recognised to mean the need to adjust and embrace change as well as the courage to make changes going forward to ensure our success. The values of 'Integrity, Respect, Accountable, Independent' relate to what we as an organisation expect from our representatives and staff and how we want people to perceive the actions of NZKGI.

NZKGI ANNUAL REPORT 2020

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# NZKGI REPRESENTS ALL KIWIFRUIT GROWERS AROUND NEW ZEALAND THROUGH OUR FORUM, EXECUTIVE COMMITTEE AND STAFF MEMBERS.

## OUR PORTFOLIOS

### What we do

#### INDUSTRY STABILITY

Through the Industry Stability portfolio, NZKGI supports the marketing structure of the Single Point of Entry (SPE) as requested by the vast majority of New Zealand kiwifruit Growers. The portfolio does this by developing strong relationships with Government, industry and international counterparts while identifying and mitigating threats.

#### PERFORMANCE & SUPPLY

NZKGI monitors Zespri and industry performance to ensure the industry works in the best interests of all kiwifruit Growers. NZKGI works with all industry players to understand the operational and economic dynamics and establish and maintain important industry relationships, thereby positioning NZKGI as a credible voice for effective representation of Growers.

#### COMMUNICATIONS

The NZKGI Communications portfolio is the voice to and for New Zealand's

kiwifruit Growers. NZKGI gathers Grower views and presents them externally to give NZKGI a strong, collective representative voice. We also communicate important information to kiwifruit Growers to support the growth of a profitable and sustainable business.

#### EDUCATION

NZKGI works to attract, retain and develop new and existing members of the industry by working with schools, training providers, employers and industry organisations. The portfolio promotes careers in the kiwifruit industry through events and resource materials. The Young Grower competition and Future Leaders provide further career development opportunities.

#### LABOUR

NZKGI works to identify future labour requirements and represent the industry to a broad range of stakeholders, including Government. This includes coordination of the

Recognised Seasonal Employer scheme, advocating for worker welfare and implementing a labour attraction strategy.

#### EXTERNAL RELATIONS

NZKGI's External Relations portfolio enhances the commercial and political interests of New Zealand kiwifruit Growers and works on the industry's behalf to lobby change in policy and wider issues such as Health & Safety and resource management, while building community, and local and central Government relationships.

#### ORGANISATION

The Organisational Management portfolio ensures the organisation is professional and well run, with maximum benefit for the levy investment received. Communication of Member responsibilities, review of rules and management of NZKGI's finances all ensure seamless advocacy and the enhancement of New Zealand kiwifruit Growers interests.



*At the end of the day, Growers are the most invested in this industry, from orchard investment to underwriting the national Grower Pool. It is Growers who own this industry and everyone else is a service provider.*

**Doug Brown** — NZKGI Chairman

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# CHAIRMAN'S REPORT

— DOUG BROWN —

*I write this Chairman's report following an extremely challenging 2020 harvest for Growers and all industry partners.*

COVID-19 has been a global wake-up call which, as New Zealand now emerges from lockdown restrictions, will continue to influence and shape how we operate as an industry going forward, both domestically and internationally. We will now have to adapt to a "new normal", both in our work practices and in the marketplace. Food safety and security is a priority on all government agendas.

Kiwifruit will be better placed than many other industries in this post COVID-19 recovery, given its health attributes. Traceable, trusted safe food will be the bottom line.

Over the past twelve months, NZKGI has been actively working to heighten Grower awareness around the importance of compliance. New Zealand Growers export to a global marketplace and earn global premiums as a result. As a supplier to the global fruit basket, New Zealand Growers, through its marketer Zespri, are recognized as category leaders. It is critical that we maintain this position and ensure that our compliance systems enable us to continue to deliver traceable, trusted safe kiwifruit to the world.

These are the expectations of our customers and consumers. This is not something we can negotiate our way out of if we want to remain relevant as a global category leader going forward.

Over the last year, NZKGI has been instrumental in key areas vital to industry growth.

We have continued to recognise the importance of effective communication to all Growers on important topics.

Our communication strength in adverse events was demonstrated during both the maturity clearance issues that arose, and subsequently the COVID-19 outbreak and lockdown. All Growers were quickly informed on how their business were impacted in what was a fast-changing situation. This is an area that we have focused on building capability and is an example of our role in industry communications – the ability to pull together critical information and communicate it quickly.

As Chairman, it also is pleasing to see the Weekly Update newsletter continues to be the industry's most read weekly information update to Growers.

Over the last year we have continued our work on labour attraction in an increasingly difficult environment. The pivotal role that we play in the Labour Governance Group enables stronger relationships with MSD, MBIE and MPI and increases our effectiveness on behalf of Growers. We have also made seasonal work more appealing and accessible through our labour attraction strategy. This is an example of what NZKGI can do on a limited budget.

We have recognised the changing water environment and we were instrumental in creating the Kiwifruit Industry Water Strategy. The strategy provides a vision for the industry to work towards identifying the challenges and opportunities. It sets out a plan for how the industry will respond and deliver progress through a series of working groups with cross industry involvement. We facilitate strong Grower advocacy on water issues to councils and government and we

are committed to continue to work collaboratively with industry partners to provide good water outcomes for Growers.

This year we welcomed our new members Jessica Smith, Jarrod Teddy and Robert Humphries to the Forum. We farewelled Neil Te Kani, Matt Moore and Janette Montgomery and I thank them sincerely for their service to Growers and the Forum.

I also congratulate our CEO Nikki and the staff for an excellent job over the past 12 months.

The growth trajectory of this industry has been set with the licence release program for both SunGold and Zespri Red. The industry is undergoing massive change. Growers will play a pivotal role in delivering success of this growth strategy.

At the end of the day, Growers are the most invested in this industry, from orchard investment to underwriting the national Grower Pool. It is Growers who own this industry and everyone else is a service provider.

*As NZKGI Chairman, I continue to be committed to representing Grower interests to ensure better outcomes for Growers.*



**Doug Brown** — NZKGI Chairman



# CHIEF EXECUTIVE OFFICER'S REPORT

— NIKKI JOHNSON —

NZKGI has come a long way in the last few years, extending our activities to represent and communicate with Growers in key areas that affect them from water to labour to how to operate at COVID-19 Alert Level 4. Constantly seeking feedback on what is important, we focus on identifying risks to our Growers and addressing them proactively, helping Growers succeed in a constantly changing world. In 2020, we established a new Vision for NZKGI which speaks to the organisation we want to be for Growers. We seek to be innovative, helping Growers succeed as change occurs around them but also succeeding by leading change where it is required.

## *Our Vision - Innovative Leadership - Succeeding through Change.*

This year, as in every year, we have been faced with unexpected challenges. The 2020 harvest certainly did its best to be disruptive with maturity clearance issues morphing into the challenges of operating during COVID-19 Alert Level 4. NZKGI quickly responded to the need for change by developing an orchard protocol for Growers to keep everyone harvesting safely and did a swift change with our labour attraction strategy to focus on locals who were out of work. We also stayed at the forefront of the rapidly changing situation and shared business critical developments with Growers. We were able to do this because we have good people, good relationships and good communication channels.

I would also like to take this opportunity to congratulate Growers on their hard and innovative work through an extremely challenging harvest. Growers compliance with COVID-19 protocols meant that the industry could operate as an Essential Business. The innovation Growers, and the industry as a whole, demonstrated over harvest, from new ways of operating on orchards to allow for social distancing to the unfortunate, but necessary changes to KiwiStart and maturity testing, is a credit to how nimble and versatile the industry can be in a time of crisis.

NZKGI has increased our staffing from 2.5 to 7 in recent years (2 of which are co-funded by Government) and that has allowed a substantial expansion in our activities. We now have a labour attraction strategy, Grower representation in regional and national policy, oversight of Zespri performance, we are a recognised advocate for kiwifruit Growers at local, regional and Central Government levels and have an effective communications platform reaching over 3,000 people each week. And we have done that with only an 18% increase in levy income (2016 - 2019).

As we expand our activities, we need more support and we appointed Tanya Vickers as our part-time Executive Assistant in 2019. Keeping up with eight Forum meetings and 11 Executive Committee meetings per year plus the AGM and roadshows is a big job. Within the Education portfolio we recruited Di Holloway as our new Education Coordinator with funding from the Provincial Growth Fund via Horticulture NZ. In the Performance & Supply portfolio, we recruited Margot Cotter this year to replace Lynda McCalman. Renee Fritchley resigned from her role as Projects Coordinator but NZKGI is pleased that to have been able to retain her considerable skills and experience as a contractor to provide contracted

services to manage the BOP Young Fruit Grower competition for 2021.

NZKGI is recognised as a key contributor to Central Government Horticulture policy in a range of areas and we are closely involved in policy development around seasonal and skilled workers needing to support industry growth. We will be appointing a manager during 2020 to lead the Labour and Education portfolios and support our existing staff in these areas. This means that we are presenting a 2021 budget loss for consideration at the AGM. To date, we have managed to achieve a surplus even when budgeting for a loss and the intention is to fund the loss from retained earnings. But as we continue to expand our outcomes on behalf of Growers, consideration needs to be given to how sustainable this is. Your views on how NZKGI should be operating are critical to shape the future of the organisation.

*NZKGI has grown in the 26 years since it was formed, and we look to the future with a renewed Vision while always remaining focussed on achieving what Growers want us to achieve.*



NZKGI PORTFOLIO

## INDUSTRY STABILITY

### 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
- Employment Minister  
Hon Willie Jackson
- Labour and Immigration Minister  
Hon Iain Lees-Galloway
- Environment Minister  
Hon David Parker



ABOVE: Prime Minister Rt Hon Jacinda Ardern meeting with industry representatives and announcing NZKGI winter pruning training.

LEFT: NZKGI representing New Zealand Growers at the 2019 International Kiwifruit Organisation Conference.

### International Grower Relations Strategy

NZKGI continues to strengthen relationships with Growers in other kiwifruit producing countries. The 2019 International Kiwifruit Organisation (IKO) meeting was an opportunity to view Northern hemisphere production and how their Growers are dealing with issues around infrastructure, biosecurity and weather. The 2020 IKO will be organised by New Zealand and was planned to be held in September but, due to COVID-19, will now take place as a virtual meeting.

- National and Labour Party Rural Caucus and a number of Regional MPs
- Officials from the Ministry of Social Development, Immigration New Zealand, Ministry for Primary Industries and Ministry of Foreign Affairs and Trade, Ministry of Business, Innovation and Employment, Ministry for the Environment and the Environmental Protection Agency.

# PERFORMANCE & SUPPLY



*The Performance & Supply portfolio is responsible for monitoring industry activities and Zespri performance, ensuring visibility and accountability to Growers and that Grower's interests are at the forefront of industry decision making.*

It is also responsible for maintaining industry relationships and ensuring NZKGI has a credible voice in industry forums. The onboarding of Margot Cotter in August 2019, with 10 years' experience within Zespri supply chain, has provided further expertise and industry relationships particularly within Zespri and ISG.

### Green 2018 Cost of Quality

Due to concerns about the high cost of quality for green after the 2018 harvest, NZKGI undertook an in-depth review. It analysed various factors that could affect quality including crop estimates, market run rates, shipping, advanced movement, in market stock levels, supplier accountability and crop management. There was no single conclusion. However there was slower shipping mid-season and higher onshore inventory levels which would have resulted in fruit softening and higher in-market stock levels towards the end of the season leading to higher than normal customer claims. In addition, the decision to crop manage was too late to manage softer lines. The findings of the NZKGI report have resulted in new monitoring, including reviewing market run rates, the supplier

accountability framework and crop management principles.

### Supply and Payment Oversight

NZKGI continues to monitor supply and payment issues throughout the season. NZKGI representatives are regularly updated by Zespri executives around seasonal issues and any changes. In addition, NZKGI is represented by two Forum members on ISG as well as five members on IAC to represent Growers views on industry decisions. The Performance & Supply Manager provides representation, analysis and reporting to Growers to ensure industry decisions are understood and made in the interests of Growers.

### 2020 Supply Agreement

NZKGI representatives and staff have taken an active role in the review of several parts of the 2020 Supply Agreement review including the Maturity review, Period 1 review, Schedule 2, Period 1 and time model, Pack differential and incentives model and Supplier Accountability. The additional expertise has allowed for more understanding on how supply agreement changes can impact upon Growers.

### Taste and Maturity Testing Review

NZKGI took a significant role in the COVID-19 response and worked with other industry representatives to create a feasible operational solution in the wake of Eurofins inability to test fruit. After the removal of taste payments for 2020, a review has been initiated to reassess the way Growers are paid for Taste and other associated incentives and how maturity testing works to make it scalable and robust for the future while being fair for all Growers. A NZKGI survey open to all Growers has been collated to allow Grower views to be fed in from the start of this process.

### Key Performance Indicators (KPIs)

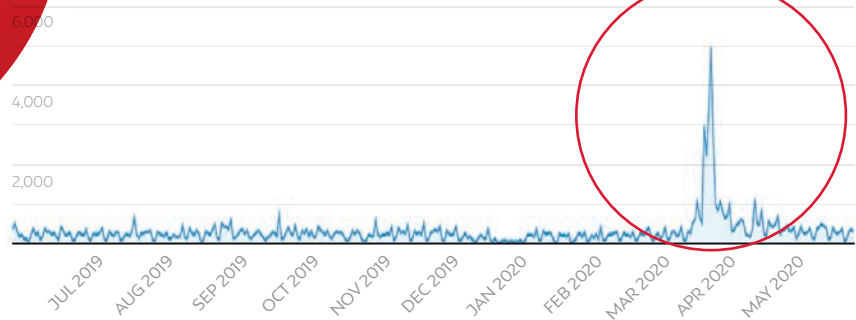
The quarterly and annual Zespri KPI documents have been published and further developed from the initial set of metrics. The inclusion of independently measured data on brand awareness in the key markets allowed for an external measurement of Zespri's in-market effectiveness. The KPI metrics are being reviewed in 2020 to ensure they are providing information that Growers need.





*Effective communication to Growers and the media on topics such as COVID-19 have been a great example of the value the portfolio delivers to the industry.*

Pageviews — [www.nzkgi.org.nz](http://www.nzkgi.org.nz)



*Pageviews show the importance of information provided by NZKGI. The NZKGI website peaked on 26 March after stakeholders sought information on the announcement of changes to maturity testing under the COVID-19 Alert Level 4 lockdown. The vast majority of website visitors on this day sought information on running their kiwifruit business under MPI protocols as well as on the significant changes to procurement and payments.*

### Crisis communication

Throughout the COVID-19 outbreak, Grower communications initially focused on contingency planning, communicating protocol guidelines, answering Grower's questions and pastoral care. The NZKGI website became a central point for information on operating Grower's businesses. This information was continually updated as New Zealand transitioned through the Alert Levels. NZKGI has received positive feedback from across the industry about its communication.

In addition to communicating to Growers on COVID-19, NZKGI managed the large volume of media interest on the topic due to the industry being recognised as an Essential Business. Enquiries to NZKGI focused on risks around labour availability and the industry contribution to the New Zealand economy.

### Helping Growers through Adverse Events

NZKGI remains prepared for future crises as a member of the Primary Sector Co-ordination Group. Made up of primary industries and government organisations, the group supports rural communities by sharing intelligence on current and potential crises.

### Communication to Growers

The core work of the Communications Portfolio continues to inform kiwifruit Growers on topics pertinent to their business. To pursue this, the Weekly Update has been recently enhanced to allow for more readership. The newsletter has been opened by industry stakeholders up to 10,000 times per week during the course of the year, demonstrating that it is a valuable industry resource. NZKGI

also communicates to Growers through, e.g. industry publications and roadshows. The latest project to improve communication to Growers is a refresh of the NZKGI website to help Growers to more easily access resources of information important to running their businesses.

### Completion of large projects

The last year has also seen the completion of some large projects for the Communications Portfolio. NZKGI's book 'Seeds of Success – the stories of New Zealand's Kiwifruit Pioneers' written by Elaine Fisher was published. The book, sold through the NZKGI website, has proven to be highly popular and a second print run has been made.



*Agriculture Minister Hon Damien O'Connor, Seeds of Success author Elaine Fisher and NZKGI Chairman Doug Brown at NZKGI's 25th Anniversary dinner.*

Another project was the celebration of NZKGI's 25th anniversary as an incorporated society. The event was held in Tauranga and attended by Minister of Agriculture Hon Damien O'Connor as well as a wide range of industry leaders.

### NZKGI Great Grower Debate

The 2019 debate took place in October with the topic 'That all Roads Lead to China,' focussing on Zespri's marketing activities and to what extent that investment should be made into China. The usefulness of the debate topic became very evident towards the start of the COVID-19 outbreak which highlighted the risks associated with the Chinese, and other markets.

### NZKGI in the media

NZKGI has retained a relatively prominent position in New Zealand media being featured in well over 100 print, radio and television articles over the last year. As the representative organisation, NZKGI has communicated on behalf of kiwifruit Growers on a wide range of topics including around how the season is progressing, spray practices and seasonal labour availability and conditions. Horticulture continues to receive the highest positive public perception of New Zealand's primary industries, reflecting the importance of food producers at this time.



2020 BOP Young Fruit Grower contestants.



NZKGI has been able to increase our resourcing in the Education portfolio this year with the appointment of Di Holloway to the position of Education Coordinator. This position is co-funded by the Provincial Growth Fund. With the kiwifruit industry growing fast, we need to be able to attract and train new participants to our industry into fulltime careers. With Di's appointment, NZKGI will be able to expand our activities and maintain our existing successful events.

The Provincial Growth Fund project means Di is also part of a team of Regional Career Coordinators who work together to promote horticulture careers across the country. This adds further capability in terms of a co-ordinated approach and access to the diverse skills within that team.

### Winter pruning training

With funding from MPI, NZKGI has been able to offer two winter pruning courses this year. A one-day taster introduced the basics of the task and how it fits into the production cycle, as well as an overview of the industry. Following the one-day training, some participants had the opportunity to join a more intensive course focusing on skill development. Participants received certification for the courses. Those who complete the intensive training were encouraged to seek work as winter pruners on kiwifruit orchards. The winter pruning program is a great illustration of an industry-led, government supported initiative which will help support New Zealand people with jobs as well as the kiwifruit industry which is growing rapidly and in need of labour.

### Cultivate Your Career

In late 2019, the Eastern BOP event took place with over 100 year 11, 12 and 13 students and teachers from Ōpōtiki College, Tarawera High School and Whakatane High School visiting orchard and postharvest sectors of the kiwifruit industry. Students were taken to visit Southern Cross Horticulture's large-scale headquarters in Pukehina to showcase the full spectrum of careers available on the orchard. They then headed to EastPack Edgecumbe where they experienced the postharvest sector.

The 2020 Western Bay Cultivate Your Career event has been postponed until 2021 due to COVID-19. An Eastern Bay of Plenty event scheduled for late 2020 is to be confirmed.

### Bay of Plenty Young Fruit Grower Competition

NZKGI is proud to organise the Bay of Plenty Young Fruit Grower Competition alongside the Bay of Plenty Young Fruit Growers Upskilling Committee. The event recognises the future leaders of the industry and the varied career opportunities within the horticulture industry.

This competition develops skills and showcases the entrants' ability to be innovative and highly skilled in a competitive environment.

There were eight competitors vying for the 2020 competition. The competition day was held in conjunction with the Te Puke A&P Show and participants had a number of horticultural practical and theory events to complete.

Hosted by comedian Guy Williams four days later, the Gala Dinner was held at Trustpower BayPark and was attended by nearly 400 guests. During the gala dinner each of the contestants had to present a three-minute speech titled "How can we as Growers be better members of the wider community?".



Students at the 2019 Cultivate Your Career.



The speech was judged by a panel consisting of Labour MP, Kiritapu Allan; NZKGI Chairman, Doug Brown and Holland Beckett Law Associate, Rachel Rosser.

Melissa van den Heuvel from NZ Avocado took out the 2020 title and due to COVID-19, with the other regional competitions and the national competition being cancelled for the year, Melissa will go on to represent the Bay of Plenty at the 2021 National Young Grower competition alongside the 2021 Bay of Plenty winner.

The 2020 event was significant as for the first time, there were more females than males who entered the competition.

**The Kiwifruit Book**

The 2019 edition of the Kiwifruit Book was finalised in November and included many additions such as a focus on sustainability and added information on innovation and technology. 200 hard copies of the book were printed, with copies sent to Secondary Schools and Growers throughout New Zealand. An electronic copy was also made available for download on NZKGI's website. This remains a highly regarded resource for secondary schools in both horticulture and wider subject areas.

**Horticulture Capability Group & career expos**

NZKGI is a member of the Horticulture Capability Group which is a national initiative to help attract young people into careers in horticulture. Other members of this group include NZ Avocado, Horticulture NZ, Apples & Pears NZ, and Vegetables NZ.

Regionally, NZKGI participated in the Eastern Bay of Plenty Career Expo and the Western Bay of Plenty Canvas Careers Expo and together with the other members of the Horticulture Capability Group, attended National Field Days at Mystery Creek.

**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.

Future Leaders got off to a cracking start with New Zealander of the Year, Mike King talking mental health to over 200 industry participants. The audience were entertained and educated on the importance of their own and others mental wellbeing. Future Leaders recognised the importance of this event due to the seasonal pressure's horticulture workers can face.

The Future Leaders Annual Quiz night proved to be as popular as ever. MC'd by Bryce Morrison, teams went head to head to determine who was the best of the best in the industry. Congratulations to Apata, who for the second year, took the coveted title.

Future Leaders finished the year with an education session with Claire Russell of Think Plus on Leading Effective Teams. Claire helped attendees develop key leadership skills to create greater engagement, participation and performance in the workplace.

The Future Leaders Committee appreciate the ongoing funding and support of their activities by NZKGI.

**Vocational education**

Vocational or on job learning has been undergoing a significant policy review. This is learning undertaken through polytechs, Primary ITO and private training providers and is an important part of the industry. NZKGI has been involved in the review and in implementation of its outcomes. We have continued to work with the Primary ITO on how to ensure that training works for the kiwifruit industry. There will be significant changes to the training system over the next two years requiring input from the kiwifruit industry via NZKGI.



*Starting in March 2019, NZKGI was successful in gaining funding from the Provincial Growth Fund and the Ministry for Social Development to appoint a full-time Labour Co-Ordinator for a two-year project.*

The funding is due to end in February 2021. NZKGI has applied to have the funding extended. In the 12-month period covered by this report, the Labour Co-Ordinator has had over 3,000 calls/emails/contacts\*. This is made up of; International Workers 53%, New Zealand Workers 3%, Businesses/Organisations 36% and Government or Education 7%.

**Labour attraction strategy**

With the 2019 Labour Attraction Strategy deemed a success, the project was extended for the 2020 harvest, expanding on and introducing new initiatives. The attraction video was updated and released pre-harvest. By the end of April 2020, the video had over 113,000 views. A poster was created to appeal to students and backpackers along with a flyer targeting the retirees.

With more emphasis on attracting New Zealanders into the industry, NZKGI continues to work with the Ministry of Social Development to find ways to negotiate barriers which may be preventing people becoming employed.

The Labour Co-Ordinator worked closely with Inland Revenue Department and some banks to resolve the issue of workers not being able to get bank accounts and IRD numbers.

Templates for a fixed term and casual agreement have been created, along with an explanation of when they should be used and a list of frequently asked questions and answers.

A survey was conducted of our seasonal staff which gave an insight into how they view our industry, with some interesting outcomes.

An initiative has also been started, working with the horticultural and agriculture schools and universities in Germany to increase the amount of people that travel to New Zealand with a working holiday visa to work in the kiwifruit industry.

With COVID-19 likely to impact on workforce makeup and availability of backpackers in the future, NZKGI is considering how we can attract and retain more locals into seasonal work for future seasons.

**Labour needs analysis**

This report was updated with the latest statistics and new information obtained from the last industry-wide survey.

**Labour policy**

With seasonal workers continuing to be a very important part of our industry, NZKGI continues to chair the Bay of Plenty Labour Governance Group (BOPLGG). This group meets three times a year with the last meeting having 60 attendees. The BOPLGG has industry led working groups – Labour Utilisation, Immigration, Education & Training, Worker Pastoral Care, Accommodation/Transport and Business Analysis. These groups work together to improve seasonal labour 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. The Labour Co-Ordinator has fielded over 20 complaints, most of which were regarding pay issues. The focus is on ensuring workers get what they are owed and in providing feedback to the compliance programme for follow up.

**Labour Co-Ordination Center**

The start of the 2020 harvest coincided with the arrival of COVID-19. A partnership between NZKGI and Zespri was formed to support the industry in finding workers as well as helping people and businesses affected by COVID-19.

The Labour Co-Ordination Center had companies representing around 700 people and over 400 individuals registered, many from tourism, hospitality, forestry and construction. The Labour Co-Ordination Center also worked with local chambers of commerce, local Emergency Operations Management teams and business organisations.

*\* Please note this does not include any details from the work conducted throughout the operation of the Labour Co-Ordination Center.*

# EXTERNAL RELATIONS

The External Relations portfolio has had a busy year responding to a large number of government regulations, overseeing the implementation of the Water Strategy, the introduction of a new health & safety campaign, removing barriers to seasonal accommodation and getting out and about strengthening relationships at a local and national level.

## Submissions

Late 2019 saw an unprecedented number of proposed government regulations with NZKGI Senior Policy Analyst, Sarah Cameron busy researching and writing 16 submissions on a number of subjects which have been shaped by Grower input. These submissions are available on the NZKGI website.

## Water

There was a big focus on water, not only from government but also the industry with the launch of the Water Strategy in September 2019. The strategy has brought together a collective response from Growers, Zespri, Horticulture NZ and Maori Kiwifruit Growers to better protect and enhance the use of water on orchards and provided a really good platform when responding to the government's water policy – Action for Healthy Waterways. Our response was a collective one from across the industry which focussed on consistent rules for Growers regardless of orchard size. The national water policy was the main topic at the National Water Conference that Sarah attended which provided insights into government thinking.

Our work in water continues with a focus on responding to regional plan changes that look to strengthen water quality/quantity rules and overseeing the progress of the water strategy. We continue to advocate for Growers at a Council level on water consenting issues, cultural impact assessments and providing updated nitrogen leaching modelling to improve council knowledge of kiwifruit impact on water quality. NZKGI is involved in a number of catchment groups which look to improve water quality by improving practices on orchards. NZKGI appreciates the level of engagement and commitment from Growers who are achieving improved water quality on their orchards.

## Health & Safety

NZKGI continues to focus on effective health and safety material to Growers with this year's campaign looking at the risk of impairment of drugs, alcohol and fatigue. The campaign is designed to provide awareness to Growers on the risks of a worker being under the influence of drugs or alcohol or who is fatigued. Sarah sits on the industry health & safety forum and is a member of the industry health & safety executive committee.

## Seasonal accommodation

NZKGI spent a considerable amount of time and resource looking to remove seasonal accommodation barriers in the Bay of Plenty. NZKGI were successful in obtaining a determination from MBIE which supported our work in this area and we continue to work through this process.

## Building relationships

NZKGI continues to collaborate with industry partners and regional councils to benefit the interest of kiwifruit Growers. NZKGI has developed key relationships at councils throughout the Bay of Plenty and across kiwifruit growing regions in New Zealand. Last year, NZKGI sent key questions to all candidates for local body elections in kiwifruit growing regions to help support Growers to make their choice. This proved a very successful project with high engagement from candidates.

NZKGI is a key member of SmartGrowth and provides statistics and information that helps shape regional policy in the BOP. NZKGI works side by side with the New Zealand Transport Agency on promoting safer roads across the industry.



The industry launched its water strategy in September, in which NZKGI played a central role.

## Agrichemical community engagement

NZKGI has worked with Zespri to improve both Grower and community understanding of safe application of agrichemicals. A new community engagement programme was launched including the delivery of a Safe Spraying brochure to all rural households in Kerikeri and the Bay of Plenty. NZKGI has regularly promoted the need for Growers to engage with neighbours, identify and manage risks from the application of agrichemicals. In addition, NZKGI has worked with Horticulture NZ in the review of regional air plans particularly around spray drift, notification and signage.

The Environmental Protection Authority (EPA) issued Grounds for Reassessment for Hydrogen cyanamide in late 2019 with initial submissions due May 2020. This is the first step in the review process which is anticipated to be completed by the end of 2020. NZKGI has been a key contributor in providing information to the EPA supporting the continued use of the product with appropriate controls in place to manage risks to people and the environment.

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

### Personnel changes

A small number of changes to representatives occurred within the last year. Jessica Smith replaced Neil Te Kani as the Iwi representative. Jarrod Teddy, who has now retired, replaced Matt Moore as the representative for Whakatane and Robert Humphries replaced Janette Montgomery as the representative for Eastpack.

There were several staff changes within NZKGI during 2019/20:

- Within the Education portfolio we appointed Di Holloway as our new Education Coordinator with funding from the Provincial Growth Fund via Horticulture NZ.
- We have also had changes in the Organisation portfolio, with the appointment of Tanya Vickers as our Executive Assistant in a part time role.
- In the Performance & Supply portfolio, NZKGI recruited Margot Cotter this year to replace Lynda McCalman.
- Renee Fritchley resigned from her role as Projects Coordinator but NZKGI is pleased that to have been able to retain her considerable skills and experience as a contractor to provide contracted services to manage the BOP Young Fruit Grower competition for 2021.

### Strategic planning

In recognition of this growth, the NZKGI Forum and Executive Committee with support from the NZKGI staff went through a process of strategic review in 2019. Following several facilitated sessions with the Forum, the Executive Committee and Staff agreed to update the Visions and Values to better reflect how the organisation operates. The result, endorsed by the NZKGI Forum, was a new vision Innovative Leadership – succeeding through change as well as new values of Integrity, Respect, Accountable and Independent.

'Innovative leadership' is what we, NZKGI as an organisation, want to providing for our Growers. 'Succeeding through change' is recognised to mean the need to adjust and embrace change as well as the courage to make changes going forward to ensure our success. The values of 'Integrity, Respect, Accountable, Independent' relate to what we as an organisation expect from our representatives and staff and how we want people to perceive the actions of NZKGI.

### Diversity Reporting

In its third year of diversity reporting, the female to male ratio has remained the same in the Forum and Executive Committee and the male to female ratio amongst staff has decreased. 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.

	FEMALE	MALE
Forum	9	17
Exec	3	3
Staff	6	2

### Representative diversity by orchard variety and hectareage

To evaluate how closely aligned NZKGI's representatives with the orchard variety and hectareage of New Zealand's kiwifruit Growers, a survey was undertaken with the following results:

	0-2 ha.	2-5 ha.	5-10 ha.	10+ ha.
Green		1	3	
Gold	1	1		
Mix		2	3	14
Total	1	4	6	14
As %	4	16	24	56
Industry average %*	22	49	22	6

\*(2018/19)



NZKGI PORTFOLIO

## ORGANISATIONAL MANAGEMENT

### Exec members



**Doug Brown** (Chair)  
INDUSTRY STABILITY



**Debbie Oakley**  
PERFORMANCE



**Whetu Rolleston**  
COMMUNICATIONS



**Tony Leicester**  
ORGANISATIONAL MANAGEMENT, EDUCATION



**Sally Gardiner**  
EXTERNAL RELATIONS



**Mark Mayston**  
LABOUR AND EDUCATION

### NZKGI staff members



**Nikki Johnson**  
CHIEF EXECUTIVE



**Mike Murphy**  
COMMUNICATIONS MANAGER



**Margot Cotter**  
PERFORMANCE & SUPPLY MANAGER



**Renee Fritchley**  
PROJECT COORDINATOR (CONTRACTOR)



**Sarah Cameron**  
SENIOR POLICY ANALYST



**Gavin Stagg**  
LABOUR COORDINATOR



**Di Holloway**  
EDUCATION COORDINATOR



**Tanya Vickers**  
EXECUTIVE ASSISTANT



# NZKGI

NEW ZEALAND KIWIFRUIT GROWERS



## MISSION STATEMENT

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**TO ADVOCATE, PROTECT AND ENHANCE  
THE COMMERCIAL AND POLITICAL INTERESTS  
OF NEW ZEALAND KIWIFRUIT GROWERS.**



## VISION

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**INNOVATIVE LEADERSHIP  
– SUCCEEDING THROUGH CHANGE.**



## VALUES

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**INTEGRITY  
RESPECT  
ACCOUNTABLE  
INDEPENDENT**



# STATEMENT OF FINANCIAL PERFORMANCE

New Zealand Kiwifruit Growers Incorporated  
For the year ended 31 December 2019

	NOTES	2019	2018
<b>Revenue</b>			
<b>Revenue from Provision of Services</b>			
Commodity Levy		1,457,893	1,499,775
Kiwifruit Co-ordinator Funding		83,935	46,667
Pioneer Book Funding		17,566	66,189
Pioneers Book Sales		10,517	-
Anniversary Ticket Sales		25,210	-
<b>Total Revenue from Provision of Services</b>		<b>1,595,120</b>	<b>1,612,630</b>
<b>Interest and Investment Revenue</b>			
Interest Received		11,064	10,279
<b>Total Interest and Investment Revenue</b>		<b>11,064</b>	<b>10,279</b>
<b>Total Revenue</b>		<b>1,606,184</b>	<b>1,622,909</b>
<b>Total Revenue</b>		<b>1,606,184</b>	<b>1,622,909</b>
<b>Expenses</b>			
Executive Committee & Forum Members	6	254,464	273,313
Staff Costs / Benefits	7	738,740	593,284
Communications		70,995	52,840
External Relations		49,586	33,713
Industry Stability		393	6,068
Labour / Education		187,099	135,819
Organisational Management		29,579	21,674
Performance and Supply		36,418	52,428
Pioneer Book Expenses		28,004	66,189
Overheads	8	158,738	132,176
<b>Total Expenses</b>		<b>1,554,016</b>	<b>1,367,504</b>
<b>Net Operating Profit / (Loss) Before Tax</b>		<b>52,168</b>	<b>255,405</b>
<b>Provision for Tax</b>			
Provision for Tax	13	2,818	2,598
<b>Total Provision for Tax</b>		<b>2,818</b>	<b>2,598</b>
<b>Net Profit / (Loss)</b>		<b>49,350</b>	<b>252,807</b>

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

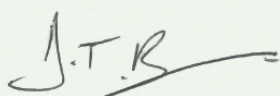


# STATEMENT OF FINANCIAL POSITION

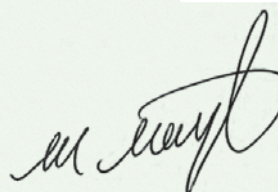
New Zealand Kiwifruit Growers Incorporated  
 As at 31 December 2019

	NOTES	31 DEC 2019	31 DEC 2018
<b>Assets</b>			
<b>Current Assets</b>			
Bank Accounts and Cash	3	1,371,949	1,207,962
Debtors		90,248	135,844
Stock on Hand		5,570	-
<b>Total Current Assets</b>		<b>1,467,766</b>	<b>1,343,806</b>
<b>Non-Current Assets</b>			
Fixed Assets		24,055	13,574
Intangibles		4,455	4,455
<b>Total Non-Current Assets</b>		<b>28,510</b>	<b>18,029</b>
<b>Total Assets</b>		<b>1,496,277</b>	<b>1,361,835</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accruals and Provisions	4	38,959	44,016
Accrued Holiday Pay		27,772	20,185
Credit Cards		3,560	3,575
Creditors		82,408	60,783
GST Payable		13,351	20,386
Income in Advance	5	72,748	5,066
Loans		479	1,053
Tax Provision	13	1,681	799
<b>Total Current Liabilities</b>		<b>240,956</b>	<b>155,864</b>
<b>Total Liabilities</b>			
<b>Net Assets</b>		<b>1,255,321</b>	<b>1,205,971</b>
<b>Equity</b>			
Retained Earnings		1,255,321	1,205,971
<b>Total Equity</b>		<b>1,255,321</b>	<b>1,205,971</b>

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 2019

	2019	2018
<b>Equity</b>		
Opening Balance	1,205,971	953,163
<b>Increases</b>		
Net Surplus for the Period	49,350	252,807
<b>Total Increases</b>	<b>49,350</b>	<b>252,807</b>
<b>Total Equity</b>	<b>1,255,321</b>	<b>1,205,971</b>

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 2019

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 2 June 2020. 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

	<b>2019 ACTUAL</b>	2020 AGM BUDGET	2021 AGM BUDGET
<b>Income</b>			
Commodity Levy	\$1,457,893	\$1,550,000	\$1,620,000
Interest Income	\$11,064	\$8,000	\$10,000
Project Income	\$83,935	\$60,000	\$73,607
Other income	\$53,293	-	-
<b>TOTAL INCOME</b>	<b>\$1,606,185</b>	<b>\$1,618,000</b>	<b>\$1,703,607</b>
<b>Expenses</b>			
Exec Cmte & Forum Members	\$254,464	\$302,500	\$274,500
Staff	\$738,740	\$667,758	\$1,006,254
Overhead Expenses	\$158,738	\$176,331	\$185,801
Industry Stability	\$393	\$44,500	\$20,000
Communications	\$98,999	\$65,000	\$66,000
Performance	\$36,418	\$71,000	\$60,600
Labour/Education	\$187,099	\$234,413	\$151,800
External Relations	\$49,586	\$54,895	\$52,740
Organisational Management	\$29,579	\$29,200	\$31,200
<b>TOTAL EXPENSES</b>	<b>\$1,554,017</b>	<b>\$1,645,598</b>	<b>\$1,848,895</b>
<b>Net Operating Profit / (Loss) Before Tax</b>	<b>52,168</b>	<b>(27,598)</b>	<b>(145,288)</b>
Provision for Tax	2,818	-	-
<b>Net Profit / (Loss)</b>	<b>49,350</b>	<b>(27,598)</b>	<b>(145,288)</b>
Prior Year Retained Earnings	1,205,971	1,255,321	1,227,723
<b>Retained Earnings Year End</b>	<b>1,255,321</b>	<b>1,227,723</b>	<b>1,082,436</b>



ANNUAL REPORT **2020**

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