

**SUCCEEDING THROUGH CHANGE**





**NZKGI**  
NEW ZEALAND KIWIFRUIT GROWERS



#### MISSION STATEMENT

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



#### VISION

INNOVATIVE LEADERSHIP  
SUCCEEDING THROUGH CHANGE



#### VALUES

INTEGRITY  
RESPECT  
ACCOUNTABLE  
INDEPENDENT

NZKGI ANNUAL REPORT 2022

## CONTENTS

WHAT WE DO	1	KEY PORTFOLIOS			
CHAIR'S REPORT	2-3	INDUSTRY STABILITY	5	LABOUR	10
CHIEF EXECUTIVE OFFICER'S REPORT	4	PERFORMANCE & SUPPLY	6	ENVIRONMENTAL & POLICY	11
		COMMUNICATIONS	7	ORGANISATIONAL MANAGEMENT	12
		EDUCATION	8-9	NZKGI PERFORMANCE SURVEY	13
				COMMODITY LEVY REFERENDUM	13
				SUMMARY OF 2021 FINANCIAL STATEMENTS	14-17

**Cover image:** The success of the 2022 kiwifruit harvest hinged on the ability for industry's supply chain to operate effectively with a restricted labour supply under the changing COVID-19 settings. NZKGI advocated for Growers and the wider industry throughout COVID-19 to ensure harvest could operate, and did so in a safe manner.



## OUR PORTFOLIOS WHAT WE DO

# NZKGI WORKS TO ADVOCATE, PROTECT AND ENHANCE THE COMMERCIAL AND POLITICAL INTERESTS OF NEW ZEALAND'S KIWIFRUIT GROWERS.

## 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

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's Education portfolio works to attract, retain and develop new and existing members of the industry by working with schools, training providers 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's Labour portfolio works to identify future seasonal labour requirements and represent the industry within working groups and to a broad range of stakeholders, including Government. This includes coordination of the Recognised Seasonal Employer (RSE) scheme, advocating worker welfare and focusing on areas such as transportation and accommodation.

## ENVIRONMENTAL & POLICY

NZKGI's Environmental & Policy portfolio supports the retention of highly productive horticulture land and maintains the right to grow. The portfolio delivers the best policy outcomes for all Growers including the protection of the environment while enabling orchard growth. The portfolio works proactively and constructively with stakeholders.

## 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.







---

# CHAIR'S REPORT

— MARK MAYSTON —

The last year has seen a stronger NZKGI emerge through the challenges our kiwifruit industry has experienced. Despite being a small organisation, NZKGI has been a remarkably strong advocate, punching well above our weight for Growers amongst stakeholders in areas such as COVID-19, agrichemicals and the Zespri Producer Vote.

Our Forum has seen a number of changes over the last year. Tony Leicester, Karen Pickford, Paul Thomas, Ross Bawden and Jessica Smith stood down as Forum Representatives. Mike Butcher also stood down as the OPAC Grower Entity representative after its joining with Seeka. I would like to take this opportunity to thank these past representatives for their dedication to the kiwifruit industry and their advocacy for Growers. It has also been pleasing to welcome the new representatives Donald Kemp (Northland), Rory Bragg (Te Puke), Genevieve Griffin-George (South Island), Dominic Jones (DMS) and Amy Porter (Iwi).

Our Executive team has remained unchanged over the reporting period, and it has been pleasing to see the team work really well in their robust advocacy for Growers. There has been a steady interaction with the Executive members overseeing the NZKGI portfolios. This has provided a stronger level of governance across the organisation and I thank the team for their work in these spaces.

NZKGI's CEO Colin Bond has done an excellent job within his first year in the role. It was comforting to hear from him that the organisations' structure did not require significant change. Colin has made great headway in recognising

and delivering on Growers immediate and long-term needs to prosper, setting NZKGI up in a great position to deliver effective value.

Over the last few years, NZKGI has become well recognised for its work in the seasonal labour space, to ensure that Growers' crops are harvested. However, it is important for Growers to recognise ongoing efforts in monitoring industry performance and advocating for Growers in Wellington. There has been considerable work in our advocacy for Growers over the last year in these areas, such as another audit of the promotional spend of the Zespri pools, NZKGI's reopening of the Cost

# I WOULD LIKE TO TAKE THIS OPPORTUNITY TO CONGRATULATE GROWERS, AND THE WIDER INDUSTRY, ON GETTING THROUGH ANOTHER HARVEST HAMPERED BY COVID-19. THE BURDEN PLACED ON GROWERS BY THE PANDEMIC HAS BEEN GREAT, AND THERE IS HOPEFULLY NOW LIGHT AT THE END OF THE TUNNEL.

NZKGI Chair — Mark Mayston



of Quality report, the reassessment of hydrogen cyanamide and the Gisborne ratings court case. All of these are solid examples where the levy investment is far outweighed by the benefit that Growers receive.

After the increase in levy to 1.1 cent per tray at last years' AGM, no change to the levy is foreseen for the upcoming year, despite a small deficit predicted. The organisation has sufficient retained earnings to cover its operational output for 2023.

On this topic, NZKGI's levy is coming up for renewal and we will be consulting with Growers as to how they would like our organisation to be setup for the next levy period. NZKGI is always keen to get Growers' opinion on their organisation and I encourage you to engage with us on this topic over the coming months so that we can provide you with the best possible value.

NZKGI's second annual performance survey reflected that Growers are generally happy with the organisation. Growers want to see that NZKGI's independence is retained and our Performance portfolio is a great area to utilise this, especially in the questioning

and monitoring of Zespri. We will also continue to increase our presence in Wellington to ensure that Growers are advocated for in policy decision-making.

The resolutions at this years' AGM include some changes to the NZKGI Rules. One key motion allows for Growers, rather than the Forum, to vote for their regional representative in a by-election, essentially giving more power for Growers to choose their own representative. The other key motion allows for NZKGI representatives who serve on industry subcommittees to serve on a rotational basis rather than all members serving a set term together. The rotational basis creates succession planning by allowing for knowledge to be retained between terms by serving representatives.

I would like to take this opportunity to congratulate Growers, and the wider industry, on getting through another harvest hampered by COVID-19. The burden placed on Growers by the pandemic has been great, and there is hopefully now light at the end of the tunnel. NZKGI has really shown its value throughout this recent period in the protocol and pastoral care spaces

to ensure that Growers businesses could continue to operate, and in a safe manner. Such events are a reminder of how our industry must remain nimble, responsive and with advocacy, placing Growers at the heart of the conversation.

Thank you for your ongoing support of NZKGI. We have a critical position of creating stability within the industry by ensuring stakeholders are working in Growers' best interests. Please remember, ask questions and keep yourself informed. This is our industry, and it is a great one.





# CHIEF EXECUTIVE OFFICER'S REPORT

COLIN BOND

From surviving to thriving. That's been my personal journey through the first 12 months as CEO of NZKGI. The learning curve has been steep, but the effort has been worth it.

I joined NZKGI to make a difference. A challenging environment provides exactly that opportunity. In the last 12 months, NZKGI has added value to Growers in several significant ways.

We played a key role in the industry operations group which worked with Government to enable the continued flow of RSE across closed borders. With borders now open we do hope that the 2022 season will be the toughest we experience from a labour perspective. NZKGI will continue to advocate for appropriate RSE policy, but also remain focused on moving the industry towards a more highly automated one with an increasing number of quality, permanent roles. Attracting tomorrow's talent also remains a focus for NZKGI.

Our licence to operate continues to be tested. The Environmental Protection Authority's decision to review the use of hydrogen cyanamide is an example. NZKGI will continue to lead the Grower response. We will also be taking the lead on opposing a council decision to charge rates against the value of licence.

This is an important issue for the entire horticulture industry.

Zespri sales and profits are at record levels. Total returns to the Grower gate are increasing. But not as fast as on-orchard costs. We will continue to monitor (and increase reporting on) the performance of Zespri. Including the value being delivered by Zespri's industry good investment in innovation.

Given the challenges of recent seasons, NZKGI stepped up our pastoral care support to Growers. Our connection with Farmstrong and the Rural Support Trust has resulted in an increased tool kit available to Growers, which can be found on the NZKGI website. Always make time available to invest in being future fit.

On the staffing front, there has been a number of changes in the last 12 months. We have said goodbye to Margot Cotter and Sarah Cameron, both outstanding contributors to NZKGI over the last few years. We welcome new team members in Neil Moge in our Performance portfolio, and Georgia Monks in a new Data Analyst role. Kathy Mason and Rebecca Gallagher joined the Environment & Policy portfolio in June.

I take this opportunity to thank the staff for the outstanding work they do for Growers and Mark Mayston, the Executive and Forum members for the invaluable support they provide my team. Everyone involved with NZKGI has a singular focus on delivering for Growers.

This is a fantastic industry full of quality people working together to produce a product we can all be proud of. Thank you for your ongoing support of NZKGI.

Working for you remains a privilege. Keep talking to us. Onwards and upwards.

# KEY PORTFOLIOS

INDUSTRY STABILITY | PERFORMANCE & SUPPLY | COMMUNICATIONS  
EDUCATION | LABOUR | ENVIRONMENTAL & POLICY  
ORGANISATIONAL MANAGEMENT



Pongakawa Orchard & Growers

## NZKGI PORTFOLIO INDUSTRY STABILITY

### Government Relations

Over the last 12 months, NZKGI has had regular meetings with key Government Ministers to help them to understand the issues most important to our Growers.

With borders closed much of the time, our effort was spent working with Ministers and Officials to bring workers from COVID free Pacific nations into New Zealand to help alleviate some of the labour pressures. The horticulture sector achieved a great deal during that time. Approval was received for border exceptions 1 and 2 (a total of 4,400 RSE) and the sector was the first to demonstrate that quarantine

free travel was possible, which was an important step towards reopening New Zealand to the world.

### Industry Advisory Council (IAC)

NZKGI representatives continue to attend regular IAC meetings to ensure the Grower voice is prominent in important industry decisions.

### International Grower Relations Strategy

NZKGI continues to build relationships with Growers in other kiwifruit producing countries. For the second year running, the International Kiwifruit Organisation (IKO) conference was a fully virtual event. IKO is an opportunity to hear from representatives from other kiwifruit producing nations about their challenges and opportunities. Common challenges for 2021 were climate change, labour, COVID, and increasing regulation. Those challenges are balanced against the opportunity that exists to grow the category. The 2022 IKO is planned to be an in-person event in September in California.



# PERFORMANCE & SUPPLY

## Change of the Guard - Performance & Supply Manager

NZKGI would like to thank Margot Cotter for all the good work over the past couple of years. Margot decided to pursue other ventures in November 2021 and Neil Moge joined the team as a direct replacement. Neil has a diverse background, from HM forces to working his way to GM roles across a 20 year period in New Zealand with experience in end-to-end supply chain and operational solutions across several industry platforms.

## Key Performance Indicators (KPI's)

As part of NZKGI's Performance programme, the Zespri Annual 2020/21 Key Performance Indicators Grower Dashboard was released in November 2021 for a 5-year period (i.e. from 2016/17 through to 2020/21).

## Grower Pool Audit – (Promotional Spend)

NZKGI initiated an audit of the promotional spend of the Zespri pools in March 2021 to ensure that changes resulting from the 2017 pool audit had been made and to ensure that the allocations between the pools were correct.

Results summary:

- No adjustments were found to be made
- Progress resolving controlled observations, none of which considered significant
- Improvement and consistency shown against allocation of pool costs
- Continued focus required to ensure progress is maintained

NZKGI will continue to focus on this especially through Project Horizon Implementation.

The Performance & Supply portfolio continues to monitor the performance of Zespri and industry end-to-end supply solutions to ensure the industry works in the best interests of all kiwifruit Growers.

The performance and supply work undertaken in 2020/21 can be broken 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 the industry decision making.

### 2. Industry activities

NZKGI works with all players to understand the operational and cultural dynamics to help establish and maintain important industry relationships, thereby positioning the organisation as a credible voice for effective representation of Growers.

## Quality

Cost of quality is often thought of as the price of creating a quality product or service. While on the surface this appears to make sense, this definition is not entirely correct. In actuality the cost of quality is the cost of not creating a quality product. The difference is that the former definition covers product/service costs only. Cost of quality covers any cost that would not have been expended if quality were perfect.

Recently NZKGI reopened the report and identified that 2021 continued to have a lack of tangible outcomes, similar to 2018. Subsequently, NZKGI's Performance portfolio has triggered a review to be developed to ensure relevant actions, solutions and structure be implemented as we map the road ahead.

## Supply Chain End to End Process

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), ensuring equitable outcomes for all Growers around supply and payment issues. Through the Weekly Update, and forum platforms, NZKGI provides all Growers with discussion topics that occur through these industry groups.



## The Road Map Ahead

Over the next 12 months, in addition to topics already mentioned in this summary, the Performance & Supply portfolio will continue to evolve and has already started to review a future focus to identify key areas that can bring added value as follows:

### Why

- Create better robust, clearer, precise visions and methodology
- Mechanisms developed to improve, respond and adapt to ongoing change
- Implement future-proof forward processes and clear communication platforms

### How

- Constantly improving, measurable KPI's/benchmarks for NZKGI monitoring of the industry
- Exploring tangible methodologies across all supply chain platforms
- Leading relevant and topical sessions at various meetings that provide added value to Growers



# NZKGI PORTFOLIO COMMUNICATIONS

**NZKGI HAS ALREADY STARTED TO COMMUNICATE TO GROWERS IN NEW WAYS WHICH HAVE BEEN EVIDENT IN THE HARVEST WEBINARS, OR THROUGH THE CEO BLOGS IN THE NZKGI WEEKLY UPDATE NEWSLETTER.**



Sam Whitelock and Farmstrong have supported NZKGI to get pastoral care messages to Growers.



Makaia Carr promoted the kiwifruit industry through social media.

With a severe seasonal labour shortage forecast for the 2022 harvest, NZKGI increased its collaboration with Farmstrong and the Rural Support Trust in the pastoral care space to promote stress and fatigue management to Growers. Regular communications promoting tips and resources were communicated via print and electronic mediums, including podcasts. In addition, NZKGI funded a wellness workshop for Growers and distributed 'Under the Pump' stress management brochures to households.

NZKGI's newsletter, the Weekly Update continues to be the industry's most read publication. The newsletter communicates business critical information, governance topics and other need-to-know information to Growers. The number of subscribers continues to grow, and regular CEO updates in the newsletter are providing more value.

NZKGI featured prominently in the media again over the last year with particular reference to the impact of COVID-19 on the kiwifruit industry. NZKGI was often able to utilise this attention to encourage New Zealanders to pick and pack over harvest.

The Communications portfolio, in its provision of communications services to other NZKGI portfolios, conducted innovative labour attraction methodologies to attract new target groups of New Zealanders to participate in harvest. Over the 2022 harvest, NZKGI trialled a new social media influencer and media kit campaign

to attract previously untargeted audiences. Analysis on the return on investment has shown to be favourable in this space. Additional actions NZKGI managed in the attraction space was the implementation of industry funded radio advertisements which were heard by 381,900 people as well as online, billboard and print marketing of seasonal jobs conducted in conjunction with, and funded by, the Ministry for Primary Industries.

NZKGI has also been working in the public relations space to improve the image of the industry by writing a series of good news stories. The stories covered how the industry helps the local community and have targeted the general population by being published in newspapers.

NZKGI conducted its second annual Performance survey at the end of 2021 to measure Grower sentiment of the organisation. The survey results tracked similarly to the inaugural 2020 survey, with 75% of responses stating

that NZKGI has performed well or reasonably well over the last 12 months. This is in comparison to the 2020 survey which found 77% thought NZKGI had performed well or reasonably well over the last 5-years. A more detailed breakdown of the responses is included in this annual report.

In terms of crisis communications, adverse weather events across New Zealand hampered harvest preparation efforts. NZKGI plays a central role to gather, disseminate and share information with Government and pastoral care support groups to advocate for Growers financial and welfare support.

Moving forward, the portfolio aims to deepen its connection with Growers through an increase in mediums for more effective targeting. This will be particularly important as the organisation consults with Growers over the upcoming levy renewal period.



# EDUCATION



Vicki Long, Organic Kiwifruit Grower



Students designing the kiwifruit of the future on a visit to Plant & Food Research in Te Puke.

## THE EDUCATION PORTFOLIO WORKS TO ACTIVELY SHOWCASE THE BROAD RANGE OF CAREERS IN THE INDUSTRY TO A WIDE VARIETY OF NEWCOMERS, FROM SCHOOL STUDENTS TO CAREER CHANGERS.

### Careers

Regionally, the NZKGI Education Coordinator represented the industry at careers expos in Tauranga, Whakatāne and Rotorua, as well as at individual high schools. Presentations were also made to career changers and professionals at the Landed.org workshops for the NZ Food & Fibre Careers Initiative and the PGG Wrightson Academy. Ongoing COVID-19 disruption meant some events had to pivot to online forums, e.g. MSD Job Seeker webinars, and Virtual Careers Expos but overall there were more interactions possible than in 2020.

### Bay of Plenty Young Grower Competition

NZKGI is proud to organise the Bay of Plenty Young 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, in both vegetable and fruit production and associated businesses. This competition develops skills and showcases the entrants' ability to be innovative and highly skilled in a competitive environment. In 2021, the competition was won by Bryce Morrison or Fruition Horticulture Ltd.

The 2022 competition will take place on July 20. The practical component of the competition will take place during the day, with Mount Maunganui College providing the venue. The Gala Dinner will make a welcome return to the larger Baypark venue, in recognition of the prestige and popularity of this event. A highlight of the evening is always the speech component of the competition. The competitors prepare a three-minute speech on a topic set by the committee and are judged by a panel of invited dignitaries.

The overall winner will go on to represent the Bay of Plenty at the 2022 National Young Grower competition in September, in Nelson. The 2021 National Final was won by Melissa van den Heuvel, our 2020 regional winner. Melissa competed alongside Bryce Morrison and five other regional finalists after the 2020 National Event was a casualty of COVID-19.

### The Kiwifruit Book

This annual publication remains a highly regarded resource for secondary school teachers of horticulture and more recently agribusiness. It is updated every year with industry statistics released after harvest as well as significant events and topics that arise over the year. The 2021 edition included

additional information on labour and water, two of the biggest constraints facing the industry moving forward. 200 hard copies of the book are printed, with copies sent to secondary Schools and Growers throughout New Zealand. An electronic copy is also made available for download on NZKGI's website.

### Career Progression Managers

The NZKGI Education Coordinator role is co-funded by the Provincial Growth Fund under the Te Ara Mahi project (administered by Horticulture New Zealand) until the end of 2022. The vision of the Te Ara Mahi project is to increase the numbers of students entering full-time study, industry training and employment in the Horticulture industry. As the Bay of Plenty Career Progression Manager, the NZKGI Education Coordinator has been able to leverage off initiatives created by the team, such as the Emerging Leaders programme for upskilling Supervisors. The team has presented at nationwide events (National Fielddays, teacher conferences, career expos) increasing the profile of the horticulture industry to students and the public.





Katikati College students visiting Trevelyan's Packhouse to find out more about their sustainability practices.

"I found the activities that we did very useful as it helped us understand how to figure out our personal traits; how we are able to use our strengths and where our skills might sit within in a horticultural business."

– Aquinas College students

## RoVE

The Review of Vocational Education (RoVE) began in 2018, with the aim to create a strong, unified, sustainable vocational education system fit for the future of work. Since then, we have seen the creation of Te Pukenga, the overarching organisation which now encompasses the 16 polytechs nationwide, with the last of the Industry Training Organisations transitioning in this year. 6 Workforce Development Councils (WDC) are also being progressed, with Muka Tangata, the WDC for People, Food and Fibre one of the first. The WDC's will take over the role of setting standards for qualifications, taking account of the needs of the Industry. NZKGI continues to be involved in advocating for the training and education needs for people entering and progressing in our industry at all levels.



Future Leaders Effective Communication Workshop and Annual Quiz Night.

## Future Leaders

Future Leaders was originally established in 2014 to develop and showcase potential future leaders of the kiwifruit industry by engaging them through regular education, networking and social activities. The group is managed by an executive committee made up of volunteers from the horticulture industry. Events are held around these six key themes: Sustainability; Community; Innovation; Personal Development; Leadership & Social Activities.

Again in 2021 we were faced with COVID-19 challenges with the reduction of attendee numbers at events and a snap lockdown in August.

In March 2021, we hosted the always popular speaker, Dan Mathieson (Zespri CEO) who presented "The Year That Was" discussing 2020, the challenges of COVID-19 for Zespri, G3 in China and his personal reflections of the last year, learnings and how we are adapting these to how we improve in the future.

Always an inspiring speaker, we took advantage of Jiunn Shih's (Zespri Chief Growth Officer) visit to New Zealand in June and he spoke on Zespri marketing and rebrand success, innovation, and the future strategy for innovation.

August saw the return of the Future Leaders Annual Quiz Night. 17 teams went head to head to be crowned the best of the best! It was a tough competition as two teams were in first place and the winner had to be determined by a "moo off" between the KVH team and the Eastpack team.



Congratulations to Eastpack who were announced as the 2021 Future Leaders Annual Quiz Night winners (pictured above).

Future Leaders ended the year with an Effective Communication workshop with Carly Shorter from People Realm. This interactive workshop identified our individual and other's communication styles and how to work within the four styles.

There were a couple of changes to the Future Leaders Executive Committee in 2021. We said goodbye to Sasha Thompson and Emma Walker who both relocated, Sasha up north and Emma overseas. The Committee would like to thank both of these hard working committee members for all of their efforts. We welcomed Libby Twiss, Megan Fox, Lauren Woolerton and Nick Pridgeon to the Committee from 2022.



# LABOUR

The Labour Co-Ordinator role was initially funded through the Provincial Growth Fund and was supported through the Ministry of Social Development until June 2022. It is now 100% funded by the NZKGI levy.

Over the last two years since COVID-19 arrived in New Zealand, the labour market landscape has changed drastically, requiring the Labour Co-ordinator to respond reactively to situations as they have occurred.

COVID-19 has resulted in a lot more work required to operate the Recognised Seasonal Employee (RSE) scheme than normal over this period, but light at the end of the tunnel appears to be in sight.

## Labour Attraction Strategy

The Labour Attraction Strategy has now operated over four harvest seasons and the tactics implemented continue to evolve year-on-year. In 2022, a social media influencer strategy was trialled to target new groups of potential employees. As with previous years, a full review of the strategy is undertaken, and any learnings are applied to the next years' strategy. The collateral that is provided to attract and educate people about the industry was refreshed again this year. This included the *Little Green and Gold Book*, attraction poster and senior's guide. With the borders still being closed for the most part of the 2022 harvest, the key target group was the onshore workforce. NZKGI's good relationship with the Ministry of Social Development and Ministry for Primary Industries was also evident in the collaborative work to attract seasonal workers to the industry.



## Recognised Seasonal Employee (RSE) Scheme

The Labour Co-Ordinator has had been involved with the Quarantine Free Travel Operations Group to enable RSE workers to enter and work in New Zealand. There has been a lot of work in this space to ensure the continued supply of RSE's for the horticulture and viticulture employers which has resulted in the group successfully enabling over 4,000 RSE's to travel to New Zealand during the first quarter of 2022 alone. The group has also assisted with the workers repatriation. Keeping employers up-to-date with the ever-changing conditions of both entry to New Zealand and repatriation to the Pacific has also been done via the operations group.

There is also work being undertaken regarding a cap increase for the 2022/23 year, including how it is allocated. The review of RSE policy is also continuing.

## Labour Needs Analysis

NZKGI's seasonal labour surveys were conducted in December and January for the 2021 year and the results are being finalised into a report. This report is used to have industry-wide discussions along with discussions with Government on the trends within the kiwifruit industry.

## Labour Policy

NZKGI continues to chair the Bay of Plenty Labour Governance Group (BOPLGG). This group has a distribution list of more than 180 people. The group meets three times a year with presentations held on topics of industry interest. These topics have included Communicable Diseases, Compliance Assessment Verification (CAV) Compliance Tips and an update on the new Temporary Migrant Visa Changes. 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 and have produced things such as the driving guide.

## 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 meets with the Zespri compliance team weekly. Together with this team there has been over 31 organisations that have had their CAV's cancelled since September in 2019. The number of worker complaints in 2022 has reduced, most of the remaining complaints are regarding pay issues.





It has been a massive year for the Environmental & Policy portfolio. The growing landscape has certainly changed to a more environmental focus with agrichemicals and water continuing to be critical areas and NZKGI continuing to advocate for sensible and pragmatic solutions.

## Hydrogen Cyanamide

Responding to the Environmental Protection Agency's re-assessment of Hydrogen Cyanamide's (Hi-Cane) approval for use in New Zealand was a key focus of the Environmental and Policy portfolio. NZKGI provided an independent Grower submission which was shaped by Growers and the Forum members of the portfolio. A worker exposure trial, which will be completed in August, is the last part of our response before the hearing in December. NZKGI remains confident that when applied as intended and using appropriate PPE, Hi-Cane is safe to use and should be retained.

## Shelter

As part of our Hi-Cane response and looking at spray drift mitigation, NZKGI has asked Zespri to look at mandating shelter near sensitive areas. This is a joint programme of work and NZKGI has been working with Forum members of the Environmental and Policy portfolio on what the definition of effective shelter is. This work is ongoing.

## Regional Focus

NZKGI continues to respond to regional policy that impacts Growers, including roading issues. Examples of regional activity include:

- NZKGI began legal proceedings against Gisborne District Councils' decision to include the licence in rating valuations for SunGold orchards. The Land Valuation Tribunal found NZKGI in favour, however, the council has since appealed which has been heard in the High Court in June. The result is still pending at this time of writing
- Supporting Nelson Port on Nelson City Council proposals to reduce operations due to noise
- Early engagement with Bay of Plenty District Council on water availability and allocation limits

## Water

Influencing policy has been strengthened by the appointment of kiwifruit Grower Braden Hungerford to the Ministry for the Environment (MfE) Freshwater Farm Plan Farmer Primary Sector Group.

Braden is in a position to directly influence water policy on behalf of Growers. While Freshwater Farm Plan policy and implementation has been delayed, implementation of Freshwater Farm Plans through Zespri Gap is progressing through the Water Strategy Policy Group. Water related submissions include responses to:

- Drinking water standards
- Freshwater Farm Plans

NZKGI remains actively involved with MfE and HortNZ on water related policy.

## Working Together

NZKGI policy response continues to strengthen, with the vision to be more proactive instead of reactive – pre-empting ineffective policy. A large part of our strengthened policy response is because of the forum members attached to the portfolio who have been instrumental in shaping NZKGI's responses, working tirelessly on key responses such as Hi-Cane and water. NZKGI will continue to advocate strongly for Growers in policy.



# ORGANISATIONAL MANAGEMENT

## Diversity Reporting

In its fifth year of diversity reporting, the female to male ratio has remained the same in the Forum and Executive Committee and the female to male ratio amongst staff has decreased. While NZKGI recognises that diversity is much more than gender, NZKGI strives to see diversity reflected in our organisation.

	FEMALE	MALE
Forum	9	17
Exec	3	3
Staff	5	4

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

## Personnel Changes

A number of changes to Forum representatives occurred within the last year. Tony Leicester, Karen Pickford, Paul Thomas, Ross Bawden and Jessica Smith stood down as Forum Representatives, and the following representatives were instated: Donald Kemp (Northland), Rory Bragg (Te Puke), Genevieve Griffin-George (South Island), Dominic Jones (DMS Grower Entity), Amy Porter (Iwi). We also said goodbye to Mike Butcher as the OPAC Grower Entity Representative due to its joining with Seeka.

In 2021, Performance & Supply Manager Margot Cotter left NZKGI who was replaced by Neil Moge. In 2022, Senior Policy Analyst Sarah Cameron left who was replaced by Senior Policy Analysts Kathy Mason and Rebecca Gallagher (part-time), in order to provide increased output in the portfolio.

## Representative Diversity by Orchard Variety and Hectare

To evaluate how closely aligned NZKGI's representatives are with the orchard variety and hectareage of New Zealand's kiwifruit Growers, a survey was undertaken in 2022 with the following result:

### Number of Forum Representatives with Size of Orchard

	0-2 ha.	2.1-5 ha.	5.1-10 ha.	10.1+ ha.
Green	2	5	2	7
Gold	4	2	5	10
Red	1	5		
TOTAL	7	12	7	17
As %	16%	27%	16%	40%
Industry average %	22%	48%	22%	7%

## EXECUTIVE COMMITTEE



**Mark Mayston**  
CHAIR & INDUSTRY  
SUSTAINABILITY



**Whetu Rolleston**  
VICE CHAIR,  
ENVIRONMENTAL & POLICY  
INDUSTRY STABILITY



**Tammy Hill**  
COMMUNICATIONS  
LABOUR & EDUCATION



**Sally Gardiner**  
PERFORMANCE



**Sean Carnachan**  
LABOUR / EDUCATION



**Robert Humphries**  
COMMUNICATIONS,  
ENVIRONMENTAL & POLICY,  
PERFORMANCE

## NZKGI STAFF MEMBERS



**Colin Bond**  
CHIEF EXECUTIVE



**Mike Murphy**  
HEAD OF COMMUNICATIONS  
AND STRATEGIC PROJECTS



**Neil Moge**  
PERFORMANCE &  
SUPPLY MANAGER



**Georgia Monks**  
DATA/POLICY ANALYST



**Gavin Stagg**  
LABOUR COORDINATOR



**Di Holloway**  
EDUCATION COORDINATOR



**Tanya Vickers**  
EXECUTIVE ASSISTANT



**Kathy Mason**  
SENIOR POLICY ANALYST



**Rebecca Gallagher**  
SENIOR POLICY ANALYST



# NZKGI PERFORMANCE SURVEY

In November 2021, NZKGI's second annual Performance survey was conducted to ensure that the organisation is accountable and placing the right level of focus on topics to maximise value to Growers. The key results are as follows.

Generally there is a positive resonance about NZKGI's performance in the 2021 survey. Responses show that NZKGI's portfolio areas are still important and that NZKGI are still working well in these portfolios.

**75%** think NZKGI has performed well or reasonably well over the last 12 months in comparison to the 2020 survey which found 77% think NZKGI has performed well or reasonably well over the last five years.

**OVER 86%** stated NZKGI's portfolio areas are very important or somewhat important (92% in 2020).

**OVER 82%** strongly agree or somewhat agree that NZKGI is working well in its portfolios (84% in 2020).

**How is NZKGI serving Growers: Are there areas Growers find important which are not being addressed?**

As in 2020, themes mentioned by respondents included NZKGI's independence from Zespri (i.e. not being located in the Zespri building, holding 'Zespri to account' etc.) as well as to be able to monitor the industry for Growers.

**How is NZKGI's performance: Are there areas for improvement?**

**58%** of Growers felt that there is room for more work to be undertaken with central Government in comparison to 62% in 2020.

There was a decrease of respondents stating having never attended the NZKGI AGM and/or read the NZKGI annual report from 51% in 2020 to 37% in 2021. This could impact upon consideration of the value of the cost of these two areas.

**Is there a need for increased operations by NZKGI and could this impact on the levy rate?**

Growers generally feel that the current levy rate provides value for money and should stay at this rate.

**70%** think the current levy gives them value for money.

**68%** think the levy should remain the same.

**Are the organisations priorities correct?**

Survey responses show that NZKGI's current portfolio areas are all considered important. Four respondents suggested that NZKGI place a higher priority on its independence from Zespri as well as to be able to monitor the industry for Growers.

**How effective are governance, Forum representation and operational aspects of the organisation in the eyes of Growers?**

NZKGI is seen to be working well in its portfolios. The communication received from NZKGI is sufficient (Growers don't receive too little, nor too much communication). Growers also generally felt that they are represented by their representatives.

**OVER 84%** strongly agree or somewhat agree that NZKGI is working well in its portfolios.

**86%** find the information they receive from NZKGI is sufficient.

**65%** strongly or somewhat agree their representative can present their views at Forum.

# NZKGI COMMODITY LEVY REFERENDUM

An upcoming referendum regarding the renewal of the Commodity Levy which funds NZKGI.

In late March 2023, Growers will be asked to participate in a referendum concerning the renewal of Commodity Levy that funds NZKGI. NZKGI is required to undertake a referendum every six years to establish continued support for the organisations' funding mechanism.

NZKGI has been funded through a Commodity Levy since 2012 with the last levy renewal referendum taking place in February 2017. In this referendum, Growers voted to set a maximum levy rate of 1.5 cents per tray (\$0.0042/kg). This levy remains in force for six years. The current levy rate is 1.1 cent per tray.

Consultation with Growers on the renewal of NZKGI's levy, and how the levy would be spent, will begin in the second half of 2022 with feedback from Growers being taken into account in the formulation of the resolutions for the referendum. Voting papers will be sent out in Q1/2 2023.



# STATEMENT OF FINANCIAL PERFORMANCE

New Zealand Kiwifruit Growers Incorporated  
For the year ended 31 December 2021

	NOTES	2021	2020
<b>Revenue</b>			
<b>Revenue from Provision of Services</b>			
Commodity Levy		1,763,522	1,568,775
Project Income	7	262,627	218,968
<b>Total Revenue from Provision of Services</b>		<b>2,026,149</b>	<b>1,787,743</b>
<b>Interest and Investment Revenue</b>			
Interest Income		1,858	4,018
<b>Total Interest and Investment Revenue</b>		<b>1,858</b>	<b>4,018</b>
<b>Total Revenue</b>		<b>2,028,007</b>	<b>1,791,761</b>
<b>Total Revenue</b>		<b>2,028,007</b>	<b>1,791,761</b>
<b>Expenses</b>			
Executive Committee & Forum Members	8	225,922	242,531
Staff	9	1,014,685	889,306
Overhead Expenses	10	162,921	160,431
Industry Stability		1,830	1,043
Communications		74,502	50,839
Performance		31,125	32,307
Labour / Education		296,626	209,119
Environment & Policy		83,388	45,999
Organisational Management		23,614	23,336
<b>Total Expenses</b>		<b>1,914,612</b>	<b>1,654,911</b>
<b>Net Operating Profit / (Loss) Before Tax</b>		<b>113,395</b>	<b>136,850</b>
<b>Provision for Tax</b>			
Provision for Tax	15	240	845
<b>Total Provision for Tax</b>		<b>240</b>	<b>845</b>
<b>Net Profit / (Loss)</b>		<b>113,155</b>	<b>136,005</b>

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

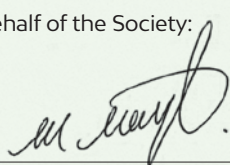


# STATEMENT OF FINANCIAL POSITION

New Zealand Kiwifruit Growers Incorporated  
As at 31 December 2021

	NOTES	31 DEC 2021	31 DEC 2020
<b>Assets</b>			
<b>Current Assets</b>			
Accrued Income	3	183,085	18,775
Bank Accounts and Cash	4	1,243,345	1,325,067
Debtors		260,259	251,101
Stock on Hand		-	3,013
<b>Total Current Assets</b>		<b>1,686,690</b>	<b>1,597,956</b>
<b>Non-Current Assets</b>			
Fixed Assets		29,710	15,545
Intangibles		4,455	4,455
<b>Total Non-Current Assets</b>		<b>34,165</b>	<b>20,000</b>
<b>Total Assets</b>		<b>1,720,855</b>	<b>1,617,956</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accruals and Provisions	5	38,307	44,168
Accrued Holiday Pay		27,787	44,998
Credit Cards		1,634	2,989
Creditors		67,794	34,413
GST Payable		19,457	25,673
Income in Advance	6	61,339	74,248
Tax Provision	15	56	141
<b>Total Current Liabilities</b>		<b>216,374</b>	<b>226,630</b>
<b>Total Liabilities</b>		<b>216,374</b>	<b>226,630</b>
<b>Net Assets</b>		<b>1,504,481</b>	<b>1,391,326</b>
<b>Equity</b>			
Retained Earnings		1,504,481	1,391,326
<b>Total Equity</b>		<b>1,504,481</b>	<b>1,391,326</b>

For and on behalf of the Society:



Mark Mayston – Chair



Whetu Rolleston – Vice Chair

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 2021

	2021	2020
<b>Equity</b>		
Opening Balance	1,391,326	1,255,321
<b>Increases</b>		
Net Surplus for the Period	113,155	136,005
<b>Total Increases</b>	<b>113,155</b>	<b>136,005</b>
<b>Total Equity</b>	<b>1,504,481</b>	<b>1,391,326</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 2021

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 Forum on 17 May 2022. 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

	ACTUAL 2021 (FINAL)	APPROVED 2022 BUDGET	REVISED 2022 BUDGET	DRAFT 2023 BUDGET
<b>Income</b>				
Commodity Levy	\$1,763,522	\$1,914,000	\$1,914,000	\$2,057,000
Interest Income	\$1,858	\$5,000	\$5,000	\$5,000
Project Income	\$262,627	\$101,339	\$101,339	\$-
<b>TOTAL INCOME</b>	<b>\$2,028,007</b>	<b>\$2,020,339</b>	<b>\$2,020,339</b>	<b>\$2,062,000</b>
<b>Expenses</b>				
Exec Cmte & Forum Members	\$225,922	\$323,500	\$325,500	\$342,060
Staff	\$1,014,685	\$1,107,625	\$1,064,537	\$1,064,537
Overhead Expenses	\$162,921	\$184,560	\$191,573	\$197,122
Industry Stability	\$1,830	\$20,000	\$20,000	\$30,000
Communications	\$74,502	\$66,500	\$71,000	\$71,000
Performance	\$31,125	\$55,000	\$55,000	\$65,000
Labour/Education	\$296,626	\$176,800	\$186,800	\$186,800
Environment & Policy	\$83,388	\$52,340	\$92,340	\$72,340
Organisational Management	\$23,614	\$33,200	\$35,200	\$35,200
<b>TOTAL EXPENSES</b>	<b>\$1,914,613</b>	<b>\$2,019,525</b>	<b>\$2,041,950</b>	<b>\$2,064,059</b>
<b>Net Operating Profit / (Loss) Before Tax</b>	<b>113,394</b>	<b>814</b>	<b>(21,611)</b>	<b>(2,059)</b>
<b>Provision for Tax</b>	\$240			
<b>Net Profit / (Loss)</b>	<b>113,154</b>	<b>814</b>	<b>(21,611)</b>	<b>(2,059)</b>
Prior Year Retained Earnings	1,391,326	1,504,480	1,504,480	1,482,869
<b>Retained Earnings Year End</b>	<b>1,504,480</b>	<b>1,505,294</b>	<b>1,482,869</b>	<b>1,480,810</b>





## ANNUAL REPORT 2022

25 Miro Street, PO Box 4246  
Mt Maunganui South 3149  
New Zealand

**TOLL FREE: 0800 232 505**

**P.** 07 574 7139 **E.** [info@nzkgi.org.nz](mailto:info@nzkgi.org.nz)

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

