Young Growers Study Tour-New Zealand 2009

Richard Mulcahy AUSVEG Ltd

Project Number: VG08080

VG08080

This report is published by Horticulture Australia Ltd to pass on information concerning horticultural research and development undertaken for the vegetable industry.

The research contained in this report was funded by Horticulture Australia Ltd with the financial support of Ausveg and the vegetable industry.

All expressions of opinion are not to be regarded as expressing the opinion of Horticulture Australia Ltd or any authority of the Australian Government.

The Company and the Australian Government accept no responsibility for any of the opinions or the accuracy of the information contained in this report and readers should rely upon their own enquiries in making decisions concerning their own interests.

ISBN 0 7341 2132 6

Published and distributed by: Horticulture Australia Ltd Level 7 179 Elizabeth Street Sydney NSW 2000 Telephone: (02) 8295 230

Telephone: (02) 8295 2300 Fax: (02) 8295 2399

© Copyright 2009



Young Growers Tour New Zealand July 2009

30 September 2009

Tour Leader: Paul Bogdanich AUSVEG Board Member Bogdanich Farms

Project Number: VG08080

Table of Contents

Abstract E	rror! Bookmark not defined.
Introduction	3
Acknowledgments	4
Tour Participants	5
Itinerary	5
Tour Report	5
Farm & related activity reports	6
Murray Turley	6
Leaderbrand – Mike Arnold	7
South Pacific Seeds – John McKay	7
Galaxy Tomatoes – Tony Norton	8
Murray Stevens - Waipuna	8
General observations from farm visits	9
Merchant Visits	10
Southern Packers and Alpine Fresh – Tony Howey	10
Opuha Dam Ltd – Tony Howey	10
Opuha Water Limited and Horticulture New Zealand – Peter Scott	11
A S Wilcox	13
Watties – Bruce Snowden, Agriculture Technical Manager	13
M&G Marketing	13
Raeward Fresh	13
Plant and Food research – Lincoln University	14
General observations from Merchant / Pack-house / Marketer / Research	er visits16
Horticulture New Zealand 2009 Annual Conference	17
Day 1 – Annual 2009 Conference of	17
Day 2 – 'Powered by People' Horticulture New Zealand 2009 Annual Co	onference18
General Observations from the Horticulture NZ 2009 Conference:	20
Participants' observations and recommendations about the NZ vegetable	industry:21
Summary	21
Participants' comments on the value of the tour:	23
Pacammendations for future tours	າວ

Abstract

The 2009 Young Growers Tour to New Zealand saw seven Australian young growers visit the South Island for nine days. Ranging in age from 20 to 34 years and hailing from QLD, VIC, TAS, and WA, the growers travelled from their home states to Christchurch on July 17.

Led by AUSVEG Board Member and Office Manager of Bogdanich Farms, Paul Bogdanich, the growers spent their first night in New Zealand in Timaru. Three days of grower and merchant visits around the South Island followed.

Returning to Christchurch on Day 5, the young growers attended the annual Horticulture New Zealand Conference from July 21-23. Keynote speakers included New Zealand Rugby icon, Gordon Tietjens, inspirational traveler, Yossi Ghinsberg, and world-renowned clinical relationship specialist, Jackie Furley. The group was also fortunate enough to meet Agriculture Technical Manager, Mr. Bruce Snowden.

On Day 7, after the conference had concluded, the group visited the Watties plant (known as Heinz in Australia) in Christchurch. Further farm and merchant visits followed, including a trip to Plant and Food (a Crown Research Institute), before the group departed for Australia after a whirlwind but very worthwhile trip.

One participant gave feedback stating: "Thank you very much. I have gained a lot and will continue to gain from the contacts I have made. It is great to see what is possible if you are prepared to have a go."

Introduction

The Australian vegetable industry's strategic plan, VegVision 2020, includes five pillars which outline the priority areas for R&D to build and strengthen the industry into the future. Pillar five, "Strengthen the enabling environment, industry capacity, motivation and commitment to meet the VegVision 2020" is concerned with leadership and change.

To support VegVision, the AVIDG commissioned a study in 2007 to investigate the training requirements of Australian vegetable growers. The report concluded that vegetable growers require more leadership and business management skills and that these skills should be firmly tied to the profitability of the business.

People development needs which were identified included improving business management skills based upon:

- business evaluation and planning
- understanding costs of production and financial reports
- better communication
- developing negotiation and conflict resolution skills
- improving decision making and managing change
- creating marketing opportunities

The vegetable industry has therefore clearly identified "leadership and people development" as a priority area for investment in order to build capacity, ensure sustainable and profitable business practices are implemented, and to create future leaders. Numerous strategies have been employed in recent years to meet these people development needs through various "Industry Development" projects.

It has been widely recognised that study tours are an important and effective industry development project, providing individual capacity building and the creation of new learning outcomes. Young Australian vegetable growers have been visiting New Zealand on study tours since 2001 with great success. With support from the National Vegetable Levy, young growers (18-35 years old) have taken the annual tour to expand their knowledge and build relationships between the Australian and New Zealand vegetable industries. Two of the ten 2007 participants are now on the Vegetable IAC Advisory Groups, and one was awarded a Nuffield Scholarship in 2008.

The purpose of the 2009 tour was to provide opportunities for growers to undertake formal development programs and build their skills and knowledge so that they may assist in the advancement of the Australian vegetable industry in the future. In order to achieve this goal, seven young growers from across Australia were taken to the South Island of New Zealand, visiting twelve operations across the horticulture industry including vegetable growers, merchants, packers, research facilities, marketing cooperatives, and attending the Horticulture New Zealand Annual Conference in Christchurch.

The 2009 tour provided the opportunity for participants to form relationships, develop

personal skills, identify alternative business management practices and compare production systems (including costs and profit) with their New Zealand counterparts. Field growers were also introduced to protected cropping principles and vice versa, while attending the conference allowed the participants to explore the differences between the NZ and Australian vegetable industries.

AUSVEG Board Member, Paul Bogdanich, assisted participants throughout the tour. Notes were collected at each site visit by a designated participant and every night the group came together to discuss and record the learning outcomes from that day.

Acknowledgments

The 2009 New Zealand tour, including farm visits, conference registration and accommodation, was arranged with the assistance of CR McPhail Limited.

Thanks must go to the many growers and business managers that showed participants through their operations and enlightened them with their business skills and knowledge.

The tour was facilitated by HAL in partnership with AUSVEG and was funded by the National Vegetable Levy. The Australian Government provides matched funding for all HAL's R&D activities.

Tour Participants

State	Name	Crops
TAS	Claire Farrell	Mixed vegetable crops
TAS	Jonathon Doust	Pea and Bean
QLD	Richard Harslett	Mixed vegetable crops
VIC	Troy Graymore	Spinach
TAS	Mark Elphinstone	Mixed vegetable crops
WA	Troy Cukrov	Lettuce
VIC	Daniel Maher	Mixed vegetable crops

Itinerary

Friday 17 July	All arrive in Christchurch and continue by coach to
Saturday 18 July	Visit Southern Packers Visit Alpine Fresh with MD Tony Howey Visit Opuha Dam
Sunday 19 July	Travel from Timaru to Ashburton Visit Peter Scott - director of Horticulture New Zealand Visit Turley partnership and meet with Murray Turley who has a leading role in the potato industry
Monday 20 July	Visit Mike Arnold (Leaderbrand) Visit Plains Product Ltd and tour their packhouse and distribution facilities for A S Wilcox Visit South Pacific Seeds at Methyen.
Tuesday 21 July	Travel from Ashburton to Christchurch Day One of Horticulture New Zealand Annual Conference
Wednesday 22 July	Day Two of Horticulture New Zealand Annual Conference
Thursday 23 July	Conference concludes following lunch Visit Tony Norton at Leeston in the afternoon
Friday 24 July	Visit marketers, MG Marketing and Raeward Fresh Visit Plant and Food - one of the Crown Research Institutes Visit Murray Stevens Leisure time in the afternoon
Saturday 25 July	Transfer to Christchurch and travel to Australia

Tour Report

The following report is a collation of the information collected on the tour during farm/merchant visits, the conference, and daily debriefing sessions and from the participants' evaluation of the tour.

Farm & related activity reports

After arriving in Christchurch and travelling by coach to Timaru on Friday 17 July, the first of the farm visits kicked off on Day Three in Temulka.

The tour moved through various farms on the South Island for three days, before breaking for the Annual Horticulture New Zealand Conference in Christchurch where the group were fortunate enough to meet New Zealand's Prime Minister, Mr John Key.

After the three day conference, the tour continued through more farms and related operations before returning to Christchurch on Friday 24 July and departing for Australia on Saturday 25 July.

Murray Turley

Based in Temulka, Murray Turley is a partner with Tony Howey in Southern Packers (visited the previous day) and is one of the major potato growers in the region.

Farming since 1970, Murray has properties totaling approximately 60,000 hectares encompassing potatoes (3-400 Ha), onions (150 Ha), wheat (900 Ha), barley (400 Ha), and Rye (400 Ha), along with grass seed, clover, peas, sweet corn, seed beetroot and hybrid seed carrots.

Murray spoke of how he was in the process of deep N soil testing and designing crops around the residual levels of nutrients in the soil. Testing is carried out at 0 to 30cm and 30 to 60cm depths with samples sent to the UK and results including a fertiliser regime to suit the soils tested.

Peas are extensively used for crop rotation as they are not in the ground long and yield in the order of 5.5 to 6 tonnes per hectare.

The potatoes (packed by Southern Packers) are grown for processing under contract to McCains with the main varieties being Russett and Burbank.

Murray views the main issues confronting New Zealand farmers in the future as water, labour and environmental factors.

Along with being used to produce seed for sale, grazing, and hay, the grass sown is also used to rebuild the soil structure.

Leaderbrand - Mike Arnold

Leaderbrand grow squash (pumpkin), broccoli, and sweet corn on a 60,000 Ha property on the Canterbury Plains.

In the last year, Leaderbrand planted approximately 35,000 plants and harvested approximately 25,000 of those, although at the time of the visit the only crop being grown was broccoli.

Leaderbrand export squash to Japan, but due to price drops in the Japanese market, Leaderbrand are currently reducing their stock in order to maintain pricing.

Mike Arnold explained the irrigation system on the property, consisting of travelling irrigators with a length of 340 meters and width of 54 meters. Each irrigator covers approximately 85 Ha and takes between 12 to 14 hours from start to finish.

Mike uses the property to grow carrot, pak choy, radish, clover and kaleseed. Mike said that although all crops on the property are sown via a Williames transplanter, this has proven to be unreliable.

All tractors on the property are fitted with Trimble GPS systems, operating off a minimum of three satellites but with an optimum accuracy using four to five satellites. This allows the tractors an accuracy of within two centimeters.

http://www.leaderbrand.co.nz/

South Pacific Seeds - John McKay

South Pacific Seeds (SPS), of Methven at the base of the Southern Alps produce seed for themselves, Semenisis, Sygenta, Rik Zwann and Terranova.

CEO, John McKay, explained that to suit the Northern European market, seeds are grown at 44 degrees south latitude in order to match the climate of 44 degrees north. To meet this requirement there are only three suitable locations in the world, of which New Zealand is one and Tasmania and Chile the others.

In order to maintain purity and avoid cross contamination, male and female seed stock are planted no closer than 2.5 kilometers of other seed or commercial crops.

Seed crops are a high risk, high gain proposition, so care must be taken to minimize any risks associated with the process.

The time from sowing to harvest is approximately 13 months, commencing in February and harvesting in March the following year. Approximately 800 tonnes of seed is air freighted to Europe annually.

http://www.spsnz.com/

Galaxy Tomatoes - Tony Norton

The operation at Galaxy Tomatoes covers 1.2 Ha of glasshouse containing over two million plants.

Tony explained that pollination is carried out through the use of bumble bees. The bumble bees are purchased in boxes for \$140 a box, which are replaced every 10 days at a total cost of around \$25,000 per month.

Pest control is carried out predominately through the use of Integrated Pest Management (IPM).

One of the main tomato varieties used is Avengence, which is grafted on either Maxi forte or Caluna rootstock and provides around 40-50 kilograms of fruit per plant.

Heating to the glasshouse is provided via a 6 megawatt boiler using 50 tonnes of coal per week.

Murray Stevens - Waipuna

Murray is primarily a black currant grower based in Waipuna, with 82 Ha of the property (an additional 30 Ha is under development) dedicated to black currant farming. The rest of the property consists of a mix of process crops, herb seed production, cereals, ryegrass seed production, silage and hay.

The black currants are grown for Ribena under contract, with a yield of around 10 tonnes per hectare, although at times this has dropped to around four tonnes per hectare.

Black currants get their first fruit after two years, but their first commercial crop occurs after three with the best yields occurring after five.

After the fifth year the plants begin to die back and are cut back to ground level, allowing them to reshoot.

While this costs them a year in production, they are able to get 20 years out of each plant by sacrificing one year after every five.

Black currants require at least 1000 hours below seven degrees in order to get bud burst and have a high water usage requirement with irrigation through solid set or travelling irrigators.

Murray produces several black currant varieties on the property, including Magnus, Melina, Black Butt and Black Adder with Ribena preferring Magnus. He uses Integrated Pest Management (IPM) to keep his crops healthy.

General observations from farm visits

- South Pacific Seeds (SPS) was found to be very interesting, especially in the relation to the development of seed and the equipment used. Although none of the tour participants grow seeds themselves, they said it was good to see how seed production works, noting the high risk and high gain nature of the seed development sector. It was also noted how passionate the two agronomists at SPS were.
- Growers were impressed with Murray Stevens, saying they "learned a lot about growing black currants," and observing the "good set up, interesting and well put-together data, lovely neat farm and good presentation."
- Murray Turley's was seen as "inspirational" and it was noted his "storage dam was amazing".
- At Leaderbrand, growers found it amazing that the sale window for squash (pumpkin) is so small, yet they manage to move so much in the export market. Growers were also "impressed with their use of GPS" technology.

Merchant Visits

During the New Zealand tour the group visited various merchants, packers, and a research facility run by Lincoln University. Reports on these individual businesses and organisations, along with general conclusions by the tour participants will be included in the 'observations' section.

Southern Packers and Alpine Fresh - Tony Howey

Southern Packers is an onion and potato grading, packing and exporting co-operative in Washdyke, Timaru in South Canterbury.

Founded in 1999 by three major New Zealand growers, Tony Howey, Peter Scott and Murray Turley, the group export to the United Kingdom, Europe, and Asia, as well as supplying the local market.

Between the three founders, they grow around 15,000 tonnes of onions a year (varying between 12-18,000 tonnes depending on the season) and aim for around 50 tonnes per acre, all of which is packed and graded by Southern Packers.

Three issues they have in the region with regard to onions are blue mould, petritis and skin problems, too few and too thin. Onions are stored in 1.8 tonne bins and placed in a shed with letter box driers to obtain a moisture content of 75 per cent relative humidity.

The co-operative also produces approximately 200 tonnes of seed potatoes per day for McCain's for five weeks of each year.

A majority of the packing work is seasonal and workers are imported from Vanuatu for the eight to nine week season on a 30 hour week. The trade in labour is part of an Island Aid program where New Zealand employs workers from the Pacific region, providing them with an income stream and teaching them new skills which they can pass on to other islanders on their return.

Along with growing onions, Tony Howey is the Managing Director for Alpine Fresh farms, growing onions, potatoes, peas, wheat, barley, grass seed crops, carrots, coriander, and Chinese cabbage seed. Tony also has the first organically certified blackberry crop in New Zealand.

http://www.southernpackers.co.nz/

Opuha Dam Ltd - Tony Howey

With water being a significant concern in Canterbury, another co-operative approach in the area directed by Tony is the Opuha Dam Ltd, which is a 100 per cent farmer owned dam providing water to 16,000 hectares of agricultural land.

Based on a share structure, shares were originally sold by private owners for \$62.50 per

share and are now selling at \$2500 each. Each share allows for 25 mega liters of water per week for four hectares of land.

While the scheme doesn't cater for 100 per cent of the usage requirements, it does cover 80 per cent of requirements as it was thought it is better to always have some water available than to have 100 per cent available only some of the time.

Opuha Water Limited and Horticulture New Zealand - Peter Scott

Horticulture New Zealand focuses on three main areas: Resource Management, Biosecurity, and Labour.

One of the major issues affecting field crops in the region is the tomato and potato psyllid.

Director of Horticulture New Zealand, Peter Scott, explained how the psyllid nymphs inject the tubers with toxic saliva causing potatoes to contain unsightly dark strips through them which is a disease known as 'zebra stripes'. Once a crop is infected with the virus, yields and quality are affected with harvests known to be down from 30 tonnes per hectare to 5 or 6 tonnes per hectare.

In regards to labour, Peter discussed the provision of aid to surrounding island nations, including the previously mentioned employment of neighbouring islanders.

Peter noted that there is much to address as part of the import of labour, including:

- Pastoral care the need to address issues such as loneliness, home sickness and general well being;
- Repeatability of labour the need to provide a comfortable and pleasant environment so workers in New Zealand enjoy the experience and are more likely to return, thereby reducing the need to re-train new workers the following year. Ideally, workers will also encourage others from their home islands to make the journey.

This is achieved by treating workers with respect including a pay rate of just over the New Zealand minimum wage of around \$13.50 NZ per hour, not taking advantage of them, and supporting a culture in New Zealand for citizens to look after the workers whilst they are in their employment.

Peter also discussed the co-operative nature of the industry in New Zealand, noting that while in some cases growers achieve better pricing for goods, in others it would appear some co-operatives seem to forget their primary focus (to be grower focused) and focus more on chasing profits.

Referring to the Opuha Dam and the general water and irrigation systems in place, Peter said the pumps to the farms in the Canterbury Plains are metered and regularly audited

to ensure compliance with the scheme. Additional water can be purchased as required. http://www.irrigationnz.co.nz/

A S Wilcox

The A S Wilcox pack house washes between 50 and 100 tonnes of produce per day and packs approximately 25000 units per day of potatoes, carrots and onions, with the majority of their produce supplying Woolworths.

Most of the produce is sourced locally between February and October and is sourced from the North Island in the other months.

All growers are paid on the net pack out, putting the onus back onto the grower to supply product with minimal rejection rates. http://www.aswilcox.co.nz/

Watties - Bruce Snowden, Agriculture Technical Manager

Through a meeting at the Horticulture New Zealand 2009 Annual Conference, we were offered the opportunity to visit the Watties (Heinz in Australia) facility in Christchurch.

The Christchurch plant is responsible for processing frozen goods including peas, carrots, green beans, potatoes, pumpkins and broad beans.

Watties have around 250 growers supplying them, with payments for deliveries based on 0.5 at planting date with the balance two to four months after delivery. Prices paid to growers are determined by gross margins factoring in yield margins and rejections (approximately 10 to 20 per cent), among other things.

Watties supply their growers with seed, taking back whatever is not used. http://www.watties.co.nz/

M&G Marketing

M&G Marketing is an owner/grower co-operative, where agent fees work on a sliding scale of 12 per cent to 18 per cent, with sales required in excess of \$100,000 before moving from the top rate.

Growers are selected based on product grown so the floor doesn't carry too much stock of any one line, so as to better meet buyer demands.

All sales are based on accounts with no 'off the street' clients.

Raeward Fresh

Beginning in 1972 as a roadside stall selling fruit and vegetables, Raeward Fresh has grown into a major fruit and vegetable retailer focusing on local produce with processing facilities providing vegetables for the restaurant trade and airlines with an annual

turnover around \$93 million per annum.

Raeward have approximately 30,000 regular retail customers and 800 wholesale customers and purchase the majority of their produce through markets as it is easier to manage than going to the grower directly.

They also provide contract processing of vegetables for clients when required, and have a weekly turnover of approximately \$150,000 a week from the restaurant trade and approximately \$350,000 a week from retail. http://www.raewardfresh.co.nz/

Plant and Food research - Lincoln University

Ivan Lawrie, the Crop Seed Manager at Plant and Food Research, Lincoln University, gave an explanation of how new plant varieties are bred and marketed.

The facility houses around 950 researchers with the main produce lines including potatoes and processed peas, with sweet potatoes, yams, and other exotic root crops to a minor extent.

When looking at potatoes, they begin with approximately 15,000 plants with only 1,500 going to field trials and only going into quality trials after the third year's yield.

Sugar and starch content, crisping and steaming testing are some of the properties they look for in the quality trials.

After eight or nine years, the trials are narrowed down to two to three varieties and are released for marketplace comment. Tenders are then called before the crop is finally ready to be commercialised.

Once this occurs, a portion of the royalties are held by the licensee with the remainder being passed back to Plant and Food Research.

All research is privately funded by the royalties from the PVR program in conjunction with commercial partners in Australia and New Zealand.

The major objectives of the potato breeding program are marketable quantities and sustainable production, with particular strengths sought including PCXN resistance, powdery scab resistance, rigorous plant growth, skin finish, eating and cooking qualities.

Plant and Food Research are also doing a lot of work in the area of Biotechnology, and at present are creating a draft of the genome sequence of potatoes with the assistance of government funding, which they are hoping to have completed by the end of the year.

Another project currently being looked at is the development of a low G.I. potato utilizing the potatoes own genes, thus avoiding the use of foreign DNA and hopefully avoiding the backlash of public sentiment.

Additionally, Plant and Food Research are working in conjunction with Monsanto/Semenisis, Plant and Food and House foods in Japan, working on a tearless onion, which is both roundup ready and resistant to another confidential herbicide. During development they have also found that due to GM the onion has developed the blood thinning properties also found in garlic.

Other crops they are looking at in relation to GM are broccoli, potatoes, and foraging brassicas, as well as trying to increase sugar levels in peas for sweetness without the sugars turning to starch with age.

http://www.plantandfood.co.nz/

General observations from Merchant / Pack-house / Marketer / Researcher visits

- It was interesting to see the equipment used at A S Wilcox, including the veggie polisher, produce scales and bagging equipment.
- Wilcox's "Petite Potatoes" initiative was a good marketing exercise in utilising parts of the crop that would otherwise be thrown away.
- One grower said they found Southern Packers' operation very interesting and "will be using the idea of heat treating cut seed to dry it," in their own shed this year. Tony Howey of Southern Packers and Alpine Fresh was seen to be a "very interesting, inspirational, entrepreneurial man."
- Marketing operations were found to be very worthwhile, with growers learning "a lot about value adding" and finding the sessions very interesting. One grower said "it was interesting to see they do not auction the produce" in New Zealand and remarked the system "is better" than in Australia.
- Research facility, Plant and Food, was "amazing" with one grower speaking highly
 of the opportunity to see a large range of research projects and the different
 market focuses on different vegetables, as well as the amount the facility deals
 with on a daily basis. It was noted, however, that the discussions at times
 became "too technical" and difficult to understand without further background
 explanation.

Horticulture New Zealand 2009 Annual Conference

Day 1 - Annual 2009 Conference of

- Fresh Vegetable Product Group
- Fresh Tomato Product Group
- Potatoes New Zealand Conference
- Process Vegetable product Group

The conference ran in three streams, which were Fresh Vegetables (including tomatoes), Process Vegetables and Potatoes, with a range of speakers covering a number of topics. The Young Growers picked those which were most relevant to their field.

The first day of the conference included:

Fresh Vegetable Product Group Conference with a keynote by Keith Vallabh, Chairman

- Surveillance, incursion and import and export strategies (joint session with Fresh Tomato Product Group)
- Environmental issues facing growers
- Tools for the future (joint session with Potatoes New Zealand and Process Vegetable Product Group)

Process Vegetable Product Group with a keynote by Alan Newton, Chairman

- See Fresh Vegetable Product Group
- Macro & Micro factors affecting food production in NZ Keith Woodford

Macro and micro factors affecting food production in New Zealand (within the Process Vegetable Product Group stream)

A majority of New Zealand's food production is destined for the local market with the threat of imported goods from Asia having an impact.

Like Australia, there are a number of lines being imported into New Zealand for inclusion in frozen vegetables and canned produce which are cheaper than what can be supplied locally.

At present New Zealand does not have legislation in place for compulsory country of origin food labeling but this is currently being addressed by the New Zealand federal Government. There are, however, retailers throughout New Zealand which are labeling products on their shelves with country of origin.

Investing in people for the future (joint session with Process Vegetable and Fresh Tomato Product Groups)

This panel discussion and workshop discussed the relation between investing in people and the success of a business.

It covered attracting the right people and how to retain good staff through maintaining their interest.

The workshop aspect of the session aimed at getting participants to think about their own circumstances and work out what they needed to do to ensure they attract and retain good quality staff to ensure the ongoing viability of their business. Day one was rounded off with a night of drinks and dining at the 2009 Young Grower of the Year presentations.

Day 2 - 'Powered by People' Horticulture New Zealand 2009 Annual Conference

Day two's proceedings were opened by Andrew Fenton, the President of Horticulture New Zealand Industry Strategy. Two keynote speakers followed with Gordon Tietjens speaking on 'Getting the best out of people' in between.

People doing clever stuff - Tim Robinson of NZ Master Contractors and Peter Cox of Simply lean

While the first half of the session wasn't hugely relevant, the second speaker presented a theory known as "Lean Thinking", a theory developed by Toyota, and now implemented by a number of major manufacturing plants worldwide.

The theory is that 90 per cent of any process can be considered non-value adding and by eliminating superfluous processes the bottom line can be increased.

Based on optimizing people, space, processes, materials, and resources, and on streamlining operations, in a manufacturing environment the idea is that continual improvements and streamlining of processes will provide a higher quality product in a shorter amount of time.

Overall, the conference was very interesting; not only from the various sessions which took place and the presentations which were made but also because of the fantastic networking opportunities, which were significant.

The group was fortunate enough to meet the Prime Minister of New Zealand, Mr. John Key, who spoke at the launch of the Horticulture Industry Strategic Plan, which aims to increase the value of the industry from NZ \$4.2 billion to NZ \$10 billion by 2020.

The plan outlines the aim to reach this goal through greater exports and value adding of existing product lines, not purely by expansion of production.

For more information about the Conference and the speakers' presentations please visit: http://www.hortnz.co.nz/2009programme/index.html

General Observations from the Horticulture NZ 2009 Conference:

- It was great to see the industry supporting young growers.
- The young growers' speeches were interesting to hear.
- The conference was well organised and well presented.
- Participants met some significant growers in the New Zealand industry as well as the Prime Minister of New Zealand, Mr. John Keys. The presentations and awards were excellent.

Participants' observations and recommendations about the NZ vegetable industry:

- The Prime Minister of New Zealand's speech at the conference was good; he seemed very approachable and proactive as far as agriculture is concerned.
- The nitrogen spoil analysis seems behind compared to what is currently happening back in Australia.
- Economies of scale achieved through leasing the land as required instead of annual rotations of crops.
- Growers are prepared to carry high levels of debt due to the lack of returns.
- Ground is always in use (rotation and usage).
- The merchant visits introduced the growers to the NZ marketing, packing and distribution system, allowing them to draw comparisons with the Australian model and identify the strengths and weaknesses of the two.
- Farmers in New Zealand have taken on a more co-operative approach in relation to many aspects of the industry's operations.

Summary

The farm visits and related activities provided the opportunity for the young Australian growers to explore new production methods, compare production systems, and build relationships with other growers.

Growers were offered an introduction to production, marketing, and whole supply chain systems operating in a country recognised as setting the benchmark in many vegetable growing and supply chain operations. In addition, growers were able to develop international networks and examine current and future issues common to vegetable growers in Australia and New Zealand.

Two issues for future tours that the group identified were the time of year the tour was held, in relation to the location as there were very few crops in the ground at the time of the tour. The other was that while there were many large and inspiring operations visited, the growers would recommend including a mix of small-scale operations on future tours.

The Horticulture New Zealand 2009 Annual Conference provided the opportunity for the participants to better understand the structures in place to manage and lead the NZ vegetable industry into the future.

The Young Growers noted the significant networking opportunity they were offered and were very impressed by the New Zealand industry's strategic approach. However, they found that parts of the conference were not as relevant to Australian farmers in a broader sense due to the topics and issues which were covered as part of the 2009 program.

Participants' comments on the value of the tour:

- It was good to hear from small businesses that have grown into large operations.
- The conference was useful in part the first day had the best sessions but some of the conference topics were irrelevant to the group. The program could have been better laid out with more detailed descriptions of the sessions instead of just one line. It would have been good if the conference had held a field day on a particular aspect of the conference. It was good to see the recognition given to young growers within horticulture at the conference awards
- Accommodation throughout the tour was good. The applications should open earlier for the next tour
- The tour needs to be broken up a day's break in between the day trips and the conference as participants became tired.
- There were minimal crops in the ground this time of year on the South Island.
- It was good to see M&G Marketing and see how the markets operate over here in comparison to back home.
- While Plant and Food's work was interesting, there was a lot we didn't understand.
- It was good to hear about blackcurrants because we haven't had anything to do with them before and it's good to learn about different things.
- There were some innovative ideas which can be used on operations at home. It was good to see some innovative ideas in packaging at the markets.
- Tony Howeys' input was worthwhile and he was very knowledgeable on a wide range of issues.
- We enjoyed the location of the visits but would like to see more hands on farming.

Recommendations for future tours

1) It is recommended timing for similar tours to New Zealand should be looked at as there were minimal crops in the ground on the South Island when the tour took place. While several of the growers conceded the timing was right for the Australian agricultural industry, the problem lies in the similarity of harvest times in New Zealand. If the tour is held at the same time in coming years, it would be good to incorporate Pukekohe on the North Island, as there is still a lot of production there at this time of year.

2) Future tours should visit a cross section of large and small growers to provide a truer perspective of the industry.