

Primary Sector Summary

Labour believes government must lead a pro-active, collaborative approach with the primary sector in order to ensure the sustainable utilisation of our natural environment not only has the capacity to sustain our businesses, but generates both economic and social wealth for the benefit all New Zealanders.

Establishing a clear strategy and vision for our primary sector will ensure we continue to have one of the most productive and profitable primary sectors in the world. Working with industry and communities to develop an overarching strategy and coordinated implementation plan will help to measure progress towards our aims, identify where we need further investment, ensure resources are properly targeted, and help direct the government's funding in the sector.

Labour will:

- Appoint a Primary Industry Council and a Chief Agricultural Adviser to provide a unified industry voice to government and the wider population, and advise Ministers and Government on all areas of primary production;
- Progress the development of a pan-industry vision and strategy, supported by a collaborative implementation plan;
- Initiate and lead research into the development of an overarching primary sector brand that enhances the reputation of the sector and the food and beverages they produce among consumers and trade buyers in the marketplace;
- Re-establish independent food safety authority to regulate, monitor and enforce food safety standards;
- Introduce country of origin labelling (CoOL), in keeping with the objective of a consistent food safety regime with Australia; and
- Establish independent biosecurity authority sufficiently resourced and capable of maintaining a robust, pro-active and fit-for-purpose biosecurity framework ;
- Develop, in partnership with industry and academia, a "pathway for success" so youth and young adults see the potential for professional and personal achievement through careers in primary industry;
- Through the Primary Industry Council, initiate a sector discussion of the role of more intensive farming systems and determinants over land use;
- Review the operations and outcomes of the Primary Growth Partnerships (PGP) programme to ensure future government funds deliver sufficient return on investment for the New Zealand economy overall, not just individual businesses; and

Primary Sector – full policy

HIGHLIGHTS

Labour will:

- Progress the development of a Primary Industry Council and pan-sector strategy to fuel value-added growth for the sector and our economy
- Re-establish robust, independent authority for food safety and biosecurity
- Invest in the capability development, attraction and retention of talent for primary industries
- Set baseline environmental standards that achieve social, environmental and economic outcomes for the benefit of all New Zealanders.

Introduction

For over 100 years, primary production has been a vital component of the New Zealand economy. In 2016, export earnings from the sector exceeded \$36b, making it by far our largest export earner.

However, the current Government's myopic perspective and policies are failing both the sector and New Zealand's national economy. Over the last three years under the National-led government, primary sector exports have fallen 4% in value.

Labour recognises that as participants in the global economy, our primary sector businesses are undergoing profound disruption from all directions. The scale and speed of disruption has far reaching unintended consequences which will require government to either step up now or step in later. Unlike the current Government, Labour in government is prepared to intervene and make the necessary changes to policy and regulation to drive further innovation, achieve greater scale in market and generate higher export returns.

Labour believes government must lead a pro-active, collaborative approach with the primary sector in order to ensure the sustainable utilisation of our natural environmental not only has the capacity to sustain our businesses, but generates both economic and social wealth for the benefit all New Zealanders.

There is urgency for a new government to inject confidence and growth into the primary sector. For this reason, Labour has developed a first 100 days programme for kick-starting the priorities within this policy.

Our future – Strategic leadership, growth and innovation

The future of New Zealand's primary sector needs to be steadfast in order to protect the businesses, communities and economies that rely on it. In an uncertain, complex world, it is all too easy to be derailed by adverse economic, social and environmental events as they occur. A vision will allow our primary sector to remain focused on achieving growth and sustainability in an environment where increasing volatility requires us to adapt and respond to changes and 'external shocks' more often.

Establishing a clear strategy and vision for our primary sector ensures we continue to have one of the most productive and profitable primary sectors in the world. Working with industry and communities to develop an overarching strategy and coordinated implementation plan will help to measure progress towards our aims, identify where we need further investment, ensure resources are properly targeted, and help direct the government's funding in the sector.

We must also generate ways to turn our natural assets into high-value export dollars rather than continuing an ever expanding system of low cost production. Growing value relies on our ability to effectively market the uniqueness of New Zealand products within diverse global markets. Discerning consumers are actively seeking out (and willing to pay a premium for) products with assurances about product efficacy and quality, environmental impact, labour management, water utilisation and food safety. New Zealand is in an enviable position to capitalise on this opportunity as a reputable, trusted food producing nation. Labour also recognises the interconnections and will harness the opportunities that arise between this policy and other national policies including, but not limited to, climate change, water and trade.

Labour will:

- Appoint a Primary Industry Council and a Chief Agricultural Adviser to provide a unified industry voice to government and the wider population, and advise Ministers and Government on all areas of primary production
- Progress the development of a pan-industry vision and strategy, supported by a collaborative implementation plan
- Initiate and lead research into the development of an overarching primary sector brand that enhances the reputation of the sector and the food and beverages they produce among consumers and trade buyers in the marketplace
- Develop tools to generate greater supply chain knowledge and in-market expertise for our producers and businesses
- Investigate options to create real market scale, including consideration of structural reviews.

Our security – food safety and biosecurity

New Zealand's economic security is dependent on our ability to maintain the highest levels of safety and integrity within our food production systems. The recent biosecurity incursions, food contamination threats and bioterrorism have clearly demonstrated the incompetence of the current enforcement framework.

International consumers in every market expect consistent, safe and wholesome food. Whether our systems deliver ingredient components for consumable food or direct to market produce, our systems must meet world best practice or our reputation will suffer.

The disestablishment of the independent New Zealand food safety authority and its absorption into MPI has been identified as a threat to effective resourcing and capability for developing regulations, monitoring systems and enforcing standards. Labour is committed to the reestablishment of an independent agency capable of meeting the expectations of trading

partners for approval certification systems, such as meat inspections. The agency must be able to research and develop world's best practice for every level of our food production systems.

To ensure value for the producers of food under the New Zealand production systems, we should confirm the value of our systems through country of origin labelling CoOL that will further develop and enhance New Zealand's reputation in the international food market. While we depend upon open and free trade of food for our existence, we must be prepared to offer consumers full information, confidence and knowledge relating to the production of the food they consume.

Labour will

- Re-establish independent food safety authority to regulate, monitor and enforce food safety standards
- Develop a robust food protection system, including protections against bioterrorism and food fraud both domestically and for New Zealand products in overseas markets
- Introduce country of origin labelling (CoOL), in keeping with the objective of a consistent food safety regime with Australia
- Develop consumer-centric protocols to handle potential food safety issues quickly and with integrity, ensuring there is digital (and effectively real-time) information loop that includes all impacted organisations.

Biosecurity has been identified numerous times across the primary sector as the most important area of government responsibility because of the potential to seriously damage and undermine our biological production systems. The current Government has maintained that this is its number one priority but has failed to deliver the necessary capacity and experience to support an economically and environmentally robust biosecurity programme.

The development of Government Industry Agreements (GIAs), a concept initiated by the previous Labour Government, has delivered an increasing number of agreements between industry sectors and MPI that identify the methods of cost sharing in the event of an adverse biosecurity incursion. However, the current Government's focus has been on existing threats. Labour will ensure GIAs contain appropriate risk analyses and investment that future proof the sector and economy.

There are growing concerns that these agreements do not ensure an appropriate level of border protection and shift the focus of the biosecurity system from the prevention of threats to the management of incursions through the failure of front line border security. The on-going and upward value of the New Zealand dollar has resulted in a greater level of importation of goods and, along with drive to increase the number of visitors to our country, means biosecurity risks are ever increasing. Unfortunately the level of funding and resourcing has not kept pace with the lift in imports and passenger numbers. Technical advances through JBMS, more advanced X-ray technology and greater levels of information sharing do not eliminate the ever increasing threat because of the commercial pressures on competitive imports, the variable biosecurity regimes of our trading partners and the language challenges facing many of our foreign visitors. Labour will not stand back and allow an increasing level of biosecurity incursions that put at risk each and every area of our economy and biodiversity.

Labour will:

- establish independent biosecurity authority sufficiently resourced and capable of maintaining a robust, pro-active and fit-for-purpose biosecurity framework ;
- conduct a review of, and invest in improvements to, existing GIAs to ensure they are responsive to future risks and opportunities, not just current threats;
- continue to support sectors and research organisations working to reduce the impact of introduced biological pests that threaten the viability of existing industries;
- work with regional councils, farmers and industry organisations to monitor, research and solve problems due to existing threats (e.g. rabbits, wilding pines, etc); and
- commit to on-going control and targeting to eliminate bovine TB in New Zealand.

Our people – talent and education

The capability of the people in our primary sector is a key asset and one that will drive the sector's future. We must ensure we have sufficient numbers of employable people, these people are sufficiently trained in modern food production systems and that they are sufficiently incentivised to pursue and maintain a career in the primary sector. Greater engagement needs to occur with schools, with more emphasis on promoting primary sector roles as an exciting opportunity for modern youth.

Global consumer and production trends will demand our businesses are skilled in a new era of business that supports consumer-centric and technologically driven supply chain models. Our success will depend on an entire national ecosystem that is clever and agile enough to respond to the new rapid pace of change. Our future equally relies on current business owners and future leaders to inject a new way of thinking and influence into the sector.

Labour will:

- Develop, in partnership with industry and academia, a “pathway for success” so youth and young adults see the potential for professional and personal achievement through careers in primary industry
- Support the integration of primary sector skills and knowledge into the primary and secondary education system, resulting in greater numbers of primary sector tertiary graduates
- Encourage the development of a targeted funding mechanism for those studying agribusiness
- Investigate incentives for retiring farmers to support the next generation of farmers and farming through better knowledge innovative structures and capital sharing arrangements
- Investigate the possibilities and opportunities to incentivise Maori leaders and communities to develop Maori-owned land into the productive agricultural sector
- Collaborate with the sector to prepare the next generation leaders, including providing better training for governance positions and empowering women and minorities to take up leadership roles.

Our environment – sustainability and conservation

Too many people believe the myth that the primary sector is solely focused on exploiting the environment for profit. Farmers, growers and harvesters understand above all that they must manage the natural environment in a responsible and sustainable manner. The reality is that they have the most to lose if the environment is exploited. The challenge for the sector is to create models that allow output to grow while mitigating environmental impacts.

For example, clean fresh water underpins much of our economic activity and is a critical part of the clean, green brand that distinguishes us in our international markets. However it has also been in recent years an issue of contention between those wanting to protect our waterways and those wanting to grow our primary sector. This increased awareness provides a chance to create a structure for our water policy that ensures our rivers are clean and takes our primary sector to greater sustainability and prosperity.

Farmers and producers across the sector have struggled to secure financial or social reward from their environmental stewardship and innovation. “Sustainability” is still seen as a cost burden to many businesses. This has legitimately limited the sector’s willingness to invest in further conservation opportunities and environmental initiatives. As a result, the industry is being hindered by the performance of the lowest common denominator and leaving value unrealised throughout the supply chain.

Labour will:

- Work with the primary sector to determine what our production standards should be and how we can best meet them;
- Investigate an industry assurance scheme for sustainable production techniques similar to “Origin Green” in Ireland;
- Through the Primary Industry Council, initiate a sector discussion of the role of more intensive farming systems and determinants over land use;
- Use national policy statements and national environmental standards to provide clearer central government guidance on issues of national importance ensuring greater regulatory certainty for the primary sector;
- With urgency introduce a new NPS for Freshwater Management based on the principles of the Sheppard version; and
- Validate Overseer, i.e. ensure that for all soil types it is fit for purpose, provides a level playing field for existing and new innovative products, and is calibrated against real-life field testing. And investigate any new models that may progress better science and knowledge.

The Sustainable Farming Fund (SFF) was established by Labour in 2000 with the purpose of supporting community driven projects to enhance the economic, social, and environmental sustainability of rural communities. The SFF has been overtaken by the National Government’s Primary Growth Partnership (PGP) programme that provides large amounts of taxpayer funding for commercial projects of unproven merit and little clear quantifiable social or environmental value. Labour is committed to the ongoing viability of the SFF and would review the PGP to ensure appropriate funding is available to support and develop the primary sector together with our rural communities.

Labour will:

- review the operations and outcomes of the PGP programme to ensure future government funds deliver sufficient return on investment for the New Zealand economy overall, not just individual businesses; and
- boost the size and scope of the SFF (such as by reprioritising PGP funding), while maintaining the underlying social and environmental values of the fund. We want this fund to continue contributing to community driven projects that enhance the economic, social and environmental sustainability of rural communities

