

11 May 2015

Results of NGINZ's Towards 2025 Consultation

NGINZ recently completed formal consultation with industry on our "Towards 2025" proposal. The feedback has been expansive, broad and diverse. We are grateful for and thank people who attended meetings and others who have communicated their thoughts directly to us.

What we seek to achieve

The Towards 2025 proposal sought to achieve three things:

1. To unify our industry, such that we work together to progress common issues and opportunities, and in partnerships with others where we share common goals.
2. To strengthen our industry voice – our voice to government and others whose decisions impact us.
3. To establish a sustainable funding mechanism and level playing field, where everyone contributes and benefits equitably from the work of their industry body.

What we proposed

Towards 2025 comprised three components:

- Greenlife Double – a new direction for the industry built around the goal to double the value of greenlife across all market segments by 2025, by intensifying advocacy, driving industry development and strengthening partnerships.
- Join GIA – partner with government and other primary sector industries in the Government Industry Agreement on Biosecurity Readiness and Response (GIA) giving us a seat at the key biosecurity decision making table.
- Apply for commodity and biosecurity levies among businesses that grow and sell plants for commercial return in order to fund industry good work, including costs associated with joining GIA.

Consultation process

NGINZ's work to date comprises:

- Proposal development with a working group representing diverse nursery sector constituencies.
- Consultation with NGINZ members in 2014 seeking their support for our proposals and our seeking wider industry mandate.
- Consultation from late 2014 with other primary industry bodies on the relationship between the nursery industry and the forestry and production horticulture industries.
- Meetings with a number of nursery industry, forestry and production horticulture groups in February and April.
- Regional meetings throughout New Zealand in March and April. A compilation of the questions and comments raised at each meeting can be viewed at www.nginz.co.nz/towards2025

Regional meetings were attended by 274 people representing 200 nursery businesses and NGINZ also held additional meetings with groups of nurseries where this was requested.

The feedback we received

- Overall there was strong recognition that “something needs to happen” and strong agreement in principle with what the NGINZ Board is seeking to achieve – unifying the industry, a stronger voice for the industry, and need for sustainable and equitable funding to enable these.
- There was strong support from NGINZ’s membership (81% grower member support, determined through a member poll in August 2014) and some support from non-members identified through feedback at regional meetings.
- However, there has been an active and vocal voice among those concerned that our proposals did not meet their needs.
- Key among feedback overall was:
 - Strong agreement that there are opportunities to work together, in particular around “advocacy to government” (including RMA issues), “biosecurity”, “research and development”, “labour & workforce training”, with more mixed views around roles in relation to “industry promotion & communication”.
 - Strong support for joining GIA and biosecurity work.
 - Strong support for a grower-led industry body working on behalf of all nurseries.
 - Mixed views on “Greenlife Double” as a direction for the industry – it resonates strongly for some but not at all for others (in particular those nurseries growing for commercial horticulture and forestry).
 - Concerns about ability of NGINZ to represent all nurseries and around proposal details.
- Key concerns centred around:
 - Industry diversity and ability of NGINZ to represent all.
 - That NGINZ is largely seen as an ornamentals and retail-centric body (at least by non-members).
 - Governance provisions, in particular suggesting need for greater levy payer representation on the Board.
 - Commodity definition, in particular clarity around definition of a plant (what is “in” or “out”) and inclusion and definition of “own use”.
 - Growers and NGINZ levy administration procedures and administration burden.
 - Compliance and collection and ability of NGINZ to collect levy from small businesses.
 - The ability to pass the levy cost onto customers.
 - That the proposals will favour large businesses.
 - That we are using GIA and biosecurity to promote a broader industry initiative.
 - “Trust” issues relating to NGINZ’s history (going back decades) and “suspicion” that NGINZ’s proposals are merely seeking to prop up failing finances.
 - Fairness of the consultation process, in particular whether the levy registration and referendum processes should be handled by an independent party.
 - Timing, in particular some felt the process was rushed given they had only learnt of the proposals very recently.

- A request from the majority of those with concerns – collectively voiced – was that NGINZ defer any levy referendum or application for the foreseeable future, and work with nurseries from across the spectrum to develop a new, alternate proposal for a nursery-led industry body and direction that is more likely to unify whole-of-industry. This request was accompanied by a corresponding commitment to actively engage and work with NGINZ’s leadership to achieve what we are seeking (above), be it via a different path.

Board Decisions

The NGINZ Board met late in late April and again in early May to consider the feedback from this consultation. The Board’s decisions are:

- While proceeding with a levy referendum and “getting a levy across the line” may be achievable now, the Board has judged there is sufficient concern amongst some nurseries that the goal of “unifying the industry” would not be fully achieved even if a favourable referendum vote was returned.
- More time and additional consultation are needed to both develop a new model for an industry body reflective of the needs of industry and a new direction for the industry that is broadly supported.
- That NGINZ will suspend the levy referendum and application for the foreseeable future, provided the “commitment-in-principle” expressed by parties with concerns about Towards 2025 proposals (above) translates to “commitment-in-practice”.
- That the work to develop Towards 2025 proposals, including GIA and levy proposals and consultation, will be carefully recorded so the benefits of this work are readily able to be captured.
- That NGINZ will convene a pan-industry working group to explore and develop an alternate proposal and build broader consensus. Subject to confirming Terms of Reference and membership a working group will be, indicatively, tasked with developing:
 - A new model for a nursery-led industry body.
 - A unifying direction (strategy) which growers will relate to and value.
 - What success looks like for a nursery-led industry body (how success should be judged over time).
 - Options for a future work programme for the industry body to deliver greatest value across the industry.
 - Short and long term funding solutions.
- That the working group will report on its findings to both the Board and a nursery summit later in the year (August 2015).
- That the current Board will co-opt two new members onto the Board to strengthen representation of interests from across the nursery industry.
- That NGINZ’s regular annual July Conference will be deferred until November 2015, so that conference can both focus on revised proposals and future direction for our industry and the Association (ie Working Group and summit outcomes), and so the format and focus of Conference can be aligned with these.

No decisions have been made at this time about working group membership or Terms of Reference, nor as to who will be co-opted onto the NGINZ Board. The NGINZ Board reconvenes on 20 May 2015

and will make further announcements on the processes to make such appointments and confirm working group terms of reference after that meeting.

More details of the consultation process and feedback are outlined in a “Results of Consultation” document that can be found at www.nginz.co.nz/towards2025.

There has been resounding endorsement for what the NGINZ Board is seeking to achieve – a unified industry, a stronger voice, and sustainable and equitable funding. But what we have heard is the industry is very divided on what we have proposed. Too divided to achieve any enduring “unity”. However, out of the consultation process, including vocal opposition, what has emerged is a willingness to work together to form a nursery-led industry body and recognition this requires a new model and significant changes. And recognition this requires more time, open minds, willingness to engage and commitment – from all of us.

On behalf of the NGINZ’s leadership, our sincere thanks for your valuable feedback.

You will hear more from us after 20 May 2015 and in the weeks and months ahead as the consultation process continues and alternative proposal development proceeds.

What it means for NGINZ

Given this exciting potential of a more unified Industry body and the need to undertake further work following the consultation, NGINZ’s work plan for the year ahead will alter. The Board has determined that it is both prudent and appropriate that it undertake a review of current operations and programmes with the view of putting some on hold and has asked CEO, John Liddle, to undertake this for Board consideration later in May.

Yours sincerely



Andrew Harrison
Board Chair, NGINZ



John Liddle
Chief Executive, NGINZ