

Seed industry wants regulatory help

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THE New Zealand grain and seed industry has potential to double its exports but says it needs the right policy and regulatory settings in place to capture opportunities.

In a recent presentation to the primary production select committee the NZ Grain and Seed Trade Association (NZGSTA) outlined its plans for growth.

NZGSTA general manager Thomas Chin highlighted to the committee the challenges the industry faced to achieve key export targets.

"We are positive about growth prospects over the medium term," he said.

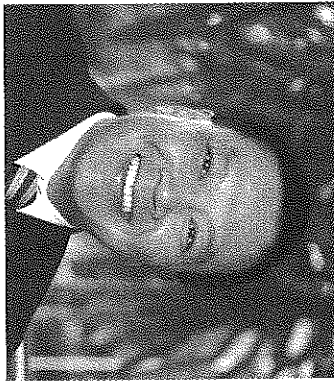
However, the industry needed the right policy and regulatory settings in place to realise opportunities and to increase export turnover, he said.

The grain and seed industry highlighted the need for more irrigation, research and development and the release of red tape.

Progress in those key areas could fast-track the industry's plans to double export value by 2025, Chin said.

"Our (seed industry) ambition is the same as Government. We believe we have the industry horsepower and technology to do just that and one way forward to that goal is the development of new crops.

"By virtue of one or two new crops we can achieve that but not while they are tied up in red tape."



Poppies and hemp were two opportunities, he said.

While poppies had been grown so far only on a trial basis in Mid Canterbury they were proving their worth and following the success of poppies in Tasmania there was huge potential for poppies in NZ, he said.

"We know that in Tasmania poppies contribute A\$1 billion to that economy.

"NZ trials indicate poppies would be a similar success here too but in terms of taking the industry forward through exploring new crop varieties we need a regulatory environment that allows that to happen."

Hemp was another example of industry frustration, he said.

"It's tied up in food standards governed by NZ and Australia. They have delayed a decision to classify hemp as a food."

That decision was expected mid-year and in the meantime opportunity was being lost to explore hemp as a new export possibility, he said.

CAN DO: NZ Grain and Seed Trade Association general manager Thomas Chin is confident that with a little help the industry can achieve export targets.

Hemp is a versatile plant grown for seed, oil and fibre, while poppies are made into medicinal and pharmaceutical products, for which there is good worldwide demand.

Poppy growing is common in Tasmania and Adelaide and hemp in regions of North America.

Byproducts of oats, such as oat milk, and coloured wheats were other new export opportunities, Chin said.

"Giving access to develop these crops would go a long way. These are innovative and there's no lack of international demand for these products, which could comfortably take us to the export goal."

NZ had the ideal climate, infrastructure and know-how and the industry was ready to go forward.

The seed industry profile needed to be raised so it was seen as a priority, he said.

There was room to expand the specialist vegetable seed crops, with

additional growth to come through increasing production volume.

Further export growth would come from moving up the value chain, with an increasing focus on high-value specialist vegetable seeds and grains.

Restating brassica exports to China, suspended by officials in 2011

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because of black leg fungus, had yet to be resolved.

Slow progress was being made to have the market re-open by next year and in the meantime NZ's competitors were getting established in the market, he said.

"The grain and seed industry is ready to respond and take on the bigger challenge. What is holding us back is the regulatory environment.

"We have illustrated (to the Government) that this industry has

some exciting opportunities in the wind.

"If the regulatory environment can be facilitated to grow these trials, we as an industry can contribute to that 2025 double (export) goal."

In its 97-year history this was the first time the NZGSTA had made a formal presentation of this kind to a government.

To follow up, the association has invited a group of parliamentarians, including Minister for Primary Industries Nathan Guy, to visit Mid Canterbury to get a first-hand look at the seed industry, including plant breeding, production, harvesting and processing.

That is expected to happen next month.

"We will be at the thick end of harvest and there will be plenty of activity. It is all about come down and see for yourself," Chin said.

It was important to get the key messages first-hand to the decision makers and the best way to do that was to get them onfarm and give them a taste behind the scenes of the industry, he said.

"They have been receptive so we just need to get the finishing touches on the plan once Parliament resumes in a few weeks."

It was important to get the right balance of regulation and growth-promotion policies, to enable the industry to move forward and realise the opportunities for growth, he said.

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