



NZ Vegetable Sector Manifesto

Having the confidence to invest in the future

A National Priority



- Contributing to thriving regional economies
- Nutritious, affordable, great tasting food
- Essential to health and wellbeing
- Growers having the confidence to invest in the future



- Access to land, water, labour and innovation is under threat
- Decreasing range of crop protection tools available
- Falling consumption
- Billions spent on healthcare for diet related issues

The New Zealand vegetable industry at a glance (2025)

1.2 million

tonnes of vegetables produced each year

\$1.1 billion

in annual farmgate returns

980

mostly family-owned growing businesses

9,600 employees

40,000 hectares

of outdoor production

320 hectares

of greenhouse production

\$275 million

in fresh vegetable exports

\$469 million

in processed vegetable exports

Vegetables are grown in all regions of New Zealand, with key hubs in Pukekohe, Horowhenua and Canterbury

Collaborating for a Sustainable Future

Message from NZVeg Independent Board Chair, Dame Alison Stewart



New Zealand's vegetable growers put healthy, affordable food on New Zealanders' tables 365 days a year and generate approximately \$1.1bn in annual farmgate returns. At the same time, they provide employment for approximately 9,600 people while playing a critical role as custodians of the environment.

However, there is too much getting in the way of the vegetable sector being vibrant and prosperous. This manifesto outlines how the sector and government could work in partnership to ensure the sector reaches its potential, and growers once again have the confidence to invest in the future, for the benefit of New Zealanders' health as well as the country's economy.



Message from NZVeg Board Director and grower, Kevin Wilcox



New Zealand-owned and operated vegetable growers take seriously their role in producing safe, nutritious food that supports the health and wellbeing of New Zealanders.

At the same time, these growers recognise the importance of strong environmental and regulatory frameworks to protect land and water for future generations. However, many growers are feeling increasingly constrained by the complexity and cumulative weight of these regulations, which limit their ability to adapt, invest and remain viable.

A resilient and prosperous vegetable sector is critical to New Zealand's health, economy, and regional vitality. This manifesto outlines how government and industry can work together to return the vegetable industry to viability.



1. Resource management reform



To grow vegetables for New Zealand, we need access and the ability to utilise land, water and nutrients. This means being able to build infrastructure like packhouses, make minor changes to what we grow (crop rotation) without needing a consent, reliable access to water, the ability to apply fertiliser, and the certainty that we can operate legally. For example, it is hard to get a bank loan if you have impending regulatory changes that may make your growing operation non-compliant.

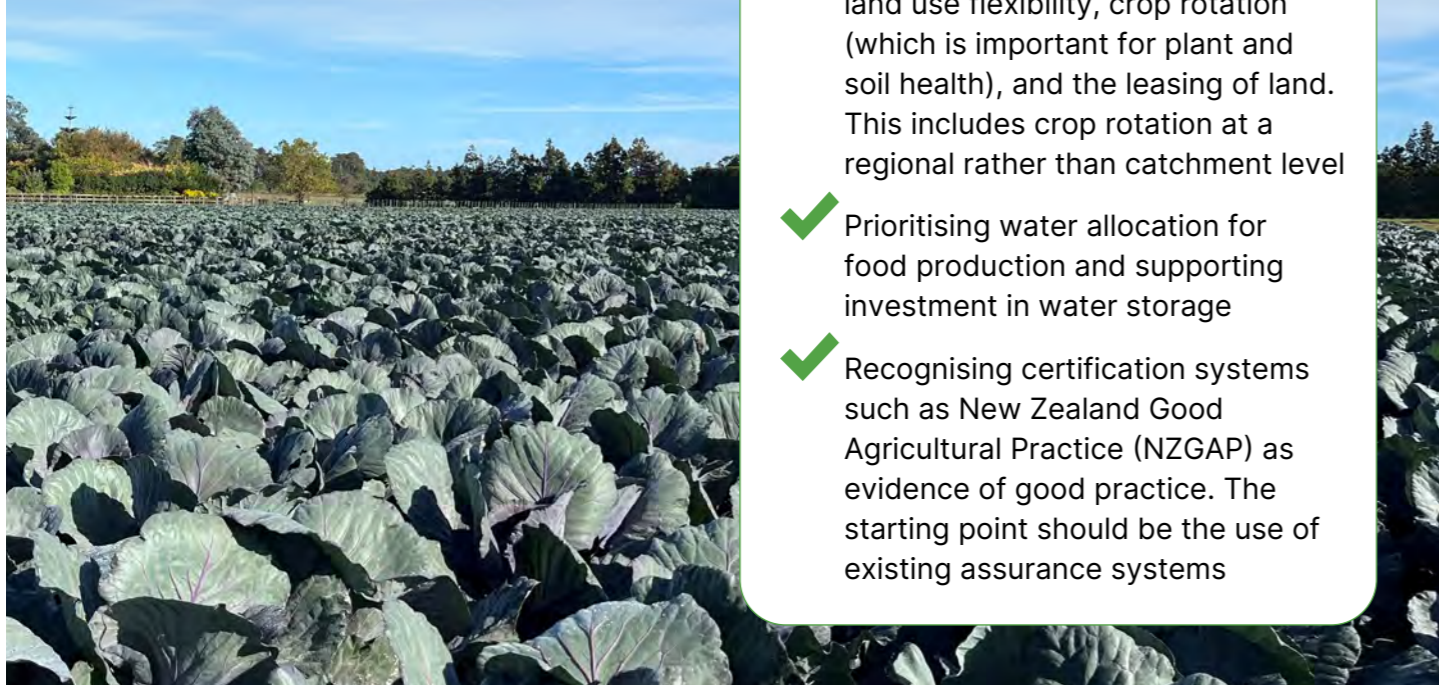
CHALLENGES

- ❌ Vegetable production is a complex system, involving land, water, other inputs like fertiliser, pest and disease control, and a supply chain to get vegetables to consumers
- ❌ Land is not highly productive if it cannot be used due to restrictions on one of more of these inputs
- ❌ New Zealand's main vegetable growing areas have unworkable, regionalised consenting rules that limit the production of vegetables in these areas
- ❌ These unworkable rules create uncertainty, which hampers investment in productivity improvement, job creation, and research and development

SOLUTIONS

The Government can partner with growers by:

- ✅ Ensuring there is a national approach to vegetable production, rather than unworkable regional approaches
- ✅ Ensuring the productive capacity of land is not restricted in any way by central or regional government regulation that affects growers' ability to grow
- ✅ Classifying growing as a permitted activity in new resource management legislation, where good practice is demonstrated
- ✅ Ensuring regulatory settings reflect the complexity of vegetable production systems, and support land use flexibility, crop rotation (which is important for plant and soil health), and the leasing of land. This includes crop rotation at a regional rather than catchment level
- ✅ Prioritising water allocation for food production and supporting investment in water storage
- ✅ Recognising certification systems such as New Zealand Good Agricultural Practice (NZGAP) as evidence of good practice. The starting point should be the use of existing assurance systems



CASE STUDY

Pukekohe and Horowhenua

New Zealand's current resource management rules are choking vegetable production in Pukekohe and Horowhenua, which are two of the country's most productive and strategically important vegetable growing regions.



In Horowhenua, the Horizons One Plan sets consent conditions that are extremely difficult for vegetable growers to meet, making it near impossible to secure workable approvals for crop rotation and ongoing production. Sub-catchment nutrient limits further restrict where and how crops can be grown, undermining the ability to rotate vegetables, which is important for soil health and commercial viability. In practice, this means growers cannot obtain consents for new or expanded vegetable growing, directly limiting supply and discouraging investment.



In the wider Pukekohe growing area, Waikato Plan Change 1 and Te Ture Whaimana impose rigid limits that fail to reflect the realities of intensive vegetable systems. The result is a system that puts compliance ahead of feeding New Zealand – reducing production, increasing costs and driving greater reliance on imported vegetables.

“New Zealand’s current resource management rules are choking vegetable production in Pukekohe and Horowhenua...”

2. Crop protection and agrichemicals



Crop protection products are critical to growing vegetables. The objective for growers is to produce marketable yields that are safe and nutritious, and that consumers are happy to pay for. To do this, growers need to manage pests and diseases. This is getting harder in New Zealand as many current crop protection products are losing efficacy because of the build-up of pesticide resistance and/or are being removed from the market due to environmental/health risks.

This situation is why the vegetable sector is transitioning to more sustainable and targeted pest and disease control options. However, due to the small size of the New Zealand market, and the time and cost of getting approval for new products, we are at risk of becoming an unattractive market for multi-national agrichemical companies.

“Crop protection products are critical to growing vegetables.”

CHALLENGES

- ✘ New Zealand is a small market. For the vegetable sector, this situation is compounded by the fact it grows a wide variety of small scale, specialty crops. With the cost of registration being in the order of \$500,000 plus; and a timeframe of often more than three years to go through the approval process, multinational companies are questioning whether the return on investment is good enough to warrant bringing new products into New Zealand.
- ✘ The shrinking toolbox of effective chemistries to control pests and diseases means that they are being used more regularly. This is leading to increased pesticide resistance and lower performance.
- ✘ Increasingly, growers are unable to effectively control pests and diseases, with resulting reduced productivity and increasing costs for the consumer.

SOLUTIONS

We need to be an attractive market to register new products. We can collectively achieve this by:

- ✓ Industry supporting the Government's reforms to improve the Hazardous Substances and New Organisms (HSNO) Act; and Agricultural Compounds and Veterinary Medicines (ACVM) Act to develop a more efficient system for registering new products. This includes, as already drafted, the prioritisation of new crop protection products, particularly those that have already been registered in recognised jurisdictions such as Australia.
- ✓ Ensuring biologicals, biopesticides and other novel control options have a clear pathway for registration across the relevant Government ministries.
- ✓ Industry supporting the Government's proposed temporary approval pathway for priority products that have been approved by overseas trusted regulators, and are deemed to have beneficial environmental and/or economic benefits for New Zealand.
- ✓ Industry supporting additional resources for the Environmental Protection Authority (EPA) to reduce the backlog of applications.
- ✓ Industry and Government co-funding research to further develop Integrated Pest Management (IPM) guidelines for vegetable crops, so that growers can further reduce their reliance on agrichemicals.
- ✓ Industry working with Government to identify existing at-risk products as well as new products that can address crop protection gaps, in order to future proof the sustainability of the New Zealand vegetable sector.

CASE STUDIES

Tomato industry

Tomato russet mite is known to develop rapid resistance to insecticides, with international reports of resistance to commonly used control agents, particularly Spiromesifen. In New Zealand, growers are facing difficulties in managing this pest due to limitations on insecticide options.



To reduce the reliance on a single mode of action, TomatoesNZ initiated trials to generate residue data for new control chemistry. The industry conducted residue trials of products that are effective at controlling mites. These products range from synthetic chemistry to organic and beneficial insect friendly chemistry.

Onion industry

At times, the onion industry has lost up to 30-40% of the crop to Stemphylium leaf blight. The industry has limited options available for control of this disease and growers need to implement strict resistance management practices (through structured rotation of products with different modes of action) to keep on top of the problem.



For the industry to continue to thrive, it urgently needs access to chemistry with new modes of action. The onion industry is committed to working with agrichemical companies and Government regulatory agencies to address this problem.

3. Energy certainty



The New Zealand vegetable sector needs energy supply certainty because, whether it is heating glasshouses or processing vegetables, energy is required. Currently, a combination of energy insecurity and the Emissions Trading Scheme (ETS) is making it more difficult to grow, process and store vegetable products.

CHALLENGES

- ✗ Confidence and certainty in the energy market are at an all-time low
- ✗ Capsicum, cucumber and tomato greenhouse growers need to heat their crops to supply year-round produce for New Zealand consumers but pay ETS on gas and coal
- ✗ These crops absorb CO₂ as part of photosynthesis, but this is not recognised in industrial allocation
- ✗ Despite being taxed on their fuel use, growers receive no financial help to support their transition to alternative fuels
- ✗ Growers are becoming energy efficient but are constrained by the cost of all types of energy as well as by the costs of transition

SOLUTIONS

The Government can partner with growers by:

- ✓ Supporting a bi-partisan energy strategy that recognises the importance of growing food in greenhouses for year-round supply, as well as storage and processing requirements
- ✓ Recycling ETS funds back into greenhouse decarbonisation transition plans, ideally to coincide with end-of-life boiler and glasshouse replacement
- ✓ Underwriting all geothermal test bores, leading consenting and selling the rights to the energy fund at a fixed price
- ✓ Legislating the capture of CO₂ from geothermal production by energy companies for resale
- ✓ Reviewing the impacts of the ETS on vegetable production costs in New Zealand, with a view to amending the Climate Change Response Act 2002, to address carbon leakage risk and maintain an affordable domestic supply of fresh vegetables



CASE STUDY

Greenhouse growers

Greenhouse growers need to find alternatives to natural gas, due to current price and future supply issues, if they are to continue to supply New Zealanders with year-round tomatoes, cucumbers, capsicums, eggplants and chillies.

However, there is no clear pathway forward and this is creating issues for growers faced with costly transitions to other energy sources, such as wood chips or pellets (boilers and furnaces), or heat pumps (electricity).

With electricity, the cost of getting the required power to site is often prohibitive, particularly without some form of government support, and line charges alone can make up half of a grower's electricity bill.



“There is no clear pathway forward and this is creating issues for growers faced with costly transitions to other energy sources...”

4. Confidence to invest



Changing regulations, short time-bound consents and a difficult trading environment make it difficult for growers to have the confidence to invest in the future. For the sector to be confident, it needs workable regulations, an enduring consenting pathway, and a way to be profitable. In other words, vegetable growers need to be able to access capital, and they can only do that if banks are confident that vegetable growers are going to be able to continue growing and be profitable.

CHALLENGES

- ✗ Growers are under immense pressure. The cost of production is rising while margins are being squeezed. As margins become tighter, profitability and investment declines
- ✗ New Zealand has become a difficult country to grow vegetables and do business in. This is reflected in the number of growers and processors exiting the sector
- ✗ Ambiguity around consenting processes and the limited duration of consents makes it difficult to access capital and invest in the sector. i.e. if a grower goes to the bank to access credit or capital, but does not have a long-term consent, typically the risk is too high for the bank to approve the loan
- ✗ Many growers are leaving the industry, which will result in vegetable shortages and an increased reliance on vegetable imports. This in turn will lead to an increase in biosecurity issues, with potentially costly responses, as well as worsening New Zealand's trade deficit
- ✗ The Commerce Commission is focused on ensuring the best outcome price wise for consumers, which is at times in conflict with sustainable supply of vegetables for New Zealanders

SOLUTIONS

The Government can partner with growers by:

- ✓ Ensuring that regional councils issue longer consents, so growers can invest in critical infrastructure with certainty
- ✓ Improving the Commerce Act and associated regulations:
 - Ensuring greater data transparency in the food supply chain, through the wholesaler and retailer system
 - Amending the Commerce Act 1986 to enable coordinated export marketing and collective negotiation for vegetables through streamlined authorisation and safe harbour provisions under the Commerce Act, supported by export data transparency and supply coordination
- ✓ Amending the Food Act 2014 to require imported fresh and processed vegetables to meet the same requirements as New Zealand grown produce
- ✓ Earmarked funding to support increased productivity and innovation in the vegetable sector

CASE STUDY

Process vegetable industry

Recently the country's two largest vegetable processors, Heinz Wattie's and McCain Foods, closed key plants in Canterbury and Hawke's Bay, reducing domestic food manufacturing and exports.

Combined, these closures represent 40-50% of the total process vegetable sector. Directly, 500 staff are being made redundant, and more than 300 vegetable growers have lost contracts, which will have a direct impact on the viability of their businesses. The flow-on effect for the communities will be reduced jobs beyond those 500 directly made redundant.

Both Heinz Wattie's and McCain Foods cited huge rises in the cost of doing business in New Zealand as the main reason behind their decisions to close.

In addition, it is estimated that imports of processed vegetables into New Zealand have doubled in the past five years.



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5. Vegetable consumption



CHALLENGES

✗ The Health New Zealand annual survey shows declining consumption of vegetables. Only 6.8% of adults and 5.8% of children eat the recommended daily servings of vegetables. What is more striking is the rapid decrease in these consumption figures.



Year	Meeting vegetable consumption guidelines	
	Adults	Children
2022/23	11.0%	5.4%
2023/24	9.0%	8.2%
2024/25	6.8%	5.8%

This decline has health implications and costs. An Otago University study conducted in 2023, shows that one extra daily serving (75 grams) would save the health system approximately \$800m over a cohort's lifespan.

SOLUTIONS

The Government can partner with growers by:

- ✓ Supporting the development of a national behaviour change campaign that promotes healthy eating and drives a sustained increase in vegetable consumption across New Zealand
- ✓ Developing a National Food Strategy with measurable targets to increase vegetable consumption.
- ✓ Supporting a buy local campaign
- ✓ Improving country of origin requirements to ensure imported products are clearly labelled



CASE STUDY



In Australia they have launched an initiative called *Plus One More Serve of Vegetables by 2030*. The objective is to encourage Australians to eat one extra serve of vegetables per day (around 75g or 1/2 cup) by 2030. This is a joined-up approach across retailers, government and growers to develop a campaign to make incremental positive changes to people's eating habits. It acknowledges that by doing so, the vegetable industry will be more stable, but also the population will be healthier, reducing the tax burden for healthcare.

Potato industry

Potatoes are New Zealand's most widely consumed vegetable, with 83% of New Zealanders eating potatoes at least weekly.

However, despite this strong penetration, consumption growth is stagnant or declining, driven not by supply constraints, but by shifting consumer perceptions and behaviours.

The evidence shows a clear policy opportunity:

- Strengthening demand for nutrient-dense, locally grown staple foods through perception shift, accessibility, and education can deliver both public health and economic benefits.
- Demand for staple vegetables is shaped more by perception, convenience and cultural relevance than by supply or price alone.

CLEAR DRIVERS OF INCREASED CONSUMPTION

Factors associated with higher consumption include:

- ✓ Perception of good value
- ✓ Versatility and ease of use
- ✓ Household acceptance
- ✓ Ability to provide filling and nutritious meals

Potatoes are already embedded in New Zealand diets. The challenge is not adoption, but relevance in a changing food system.

The data demonstrates that:

Targeted, evidence-based interventions to shift perception and usage can unlock significant gains in both consumption and public good outcomes.

This represents a practical, scalable opportunity to strengthen the performance of a core domestic food category.

FOR CONSUMERS

- Improved access to affordable, nutritious, whole foods
- Better alignment between dietary guidelines and actual behaviour

FOR THE SECTOR

- Increased domestic demand stability
- Improved value realisation for growers

FOR GOVERNMENT

Contribution to:

- national nutrition goals
- food resilience
- sustainable local production systems

Other critical factors in commercial vegetable growing



While this manifesto is focused on five key areas, there are several other critical factors that must be addressed if the vegetable sector is to become viable again.



Biosecurity

- Strong border protection and rapid biosecurity responses.
- Investing in readiness and early detection systems.
- Managing high risk pathways including illegal seed and plant imports.
- Applying clear, science-based decision frameworks.



Research and Development

- Funding for research and development that enables the sector to meet its biggest challenges.



Education and training

- Investment in education and training that addresses the sector's skill gaps (for example, agronomy, and application of new technology) and provides a platform for growth and productivity improvement.



Research and Innovation

- Mandating that the Bioeconomy Science Institute must invest in vegetable productivity as part of core government funding with reporting requirements.



Market Access

- Resourcing government representatives onshore and offshore to support trade relationships and technical market access.
- Maintaining efficient export compliance systems, so smaller sectors can compete globally.

Bottom Line

The Government and industry can work in partnership to strengthen New Zealand's ability to grow vegetables by enabling practical resource management policy, speeding up agrichemical registration, ensuring energy security, and addressing the issues that undermine the confidence to invest in the sector.

A thriving vegetable sector is a national asset. With clear, enabling policies and a strong partnership between Government and industry, New Zealand can secure a future where fresh, healthy vegetables are available and affordable for every family, every day.





This manifesto is supported by the Boards of TomatoesNZ, Potatoes NZ, Process Vegetables NZ, Onions NZ and Vegetables NZ.

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