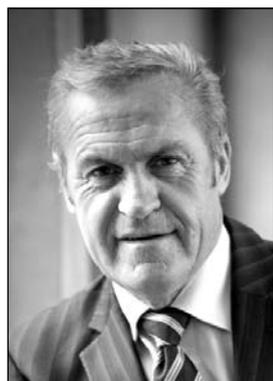

Opening address

It is a pleasure to open this Agri-Food Summit for the Riddet Institute.

New Zealand has a proud history in agri-food going right back to the innovation of shipping frozen meat. Today the food and beverage sector generates over half of New Zealand's export earnings and employs one in five of our working population. Given its importance, maintaining and improving the performance of this sector is essential to achieving the Government's economic growth agenda.

The world population continues to increase and we all need to eat. We also face limited global resources to produce food,



Hon David Carter is Minister of Agriculture, Minister for Biosecurity, and the Minister of Forestry. He was first elected to Parliament in 1994.

He completed a Bachelor of Agricultural Science degree at Lincoln University before embarking on a farming and business career. By 1974 he had established New Zealand's first commercial cattle embryo transplant company, and was instrumental in seeing cattle breeds such as Simmental, Charolais and Limousin established in both New Zealand and Australia. During the 1980s he continued his involvement in the agriculture sector, establishing the Avon Park Simmental Stud and serving as the President of the Simmental Cattle Breeders' Society of New Zealand.

He currently farms a 2500 stock unit farm on Banks Peninsula and owns a 7500 stock unit farm in North Canterbury.

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Hon David Carter

Parliament Buildings, Wellington

which raises the importance of innovation and wise stewardship of resources like water, soil and carbon. This is both an opportunity and a challenge we must respond to.

This Government is committed to furthering New Zealand's innovative potential for the benefit of the agri-food sector and wider New Zealand. This is evident from research and food innovation initiatives that the Government has proposed since coming to office, including the appointment of Professor Sir Peter Gluckman as Chief Science Advisor to the Prime Minister.

I'd like to briefly outline five initiatives that the Government has progressed to marshal research and development resources

in agriculture and food, and ensure industry has access to these resources.

The Food Innovation Network New Zealand

Picture a supermarket in your mind. Historically New Zealand has been very good at producing the items sold around the edge of the store – meat, fruit, and dairy products – all short shelf-life products. Going forward, the future of our industry is about moving into the centre of the supermarket by making value-added processed and packaged foods with a longer shelf-life.

The processed foods industry takes our quality raw materials – meat, milk, grains and fruit – and turns them into sophisticated products. This industry is now worth \$2.1 billion to New Zealand and has been growing at the stellar rate of 18 percent a year in the last decade.

However, the industry is constrained by the absence of open-access facilities in New Zealand to enable product development and testing. This is a significant gap in infrastructure for the sector and a constraint to growth, particularly as most other OECD countries have such facilities.

Last month the Government announced \$21 million of funding to establish the Food Innovation Network New Zealand to fill this gap. The network will give small and medium-sized companies access to facilities that allow them to develop, test and prove new products, as it is uneconomic for these companies to individually build such facilities and purchase all the required equipment.

The network will be a collaboration between central and local government, industry and research and education providers. It will comprise regional hubs in Manukau, Waikato, Palmerston North, and Canterbury and an overarching network organisation.

The Crown Research Institute Taskforce Report

The Crown research institutes (CRIs) are a central part of our public science system, and New Zealand needs to ensure that we get the best from them. In February this year the Crown Research Institute Taskforce reported back on how to enhance the value of New Zealand's investment in CRIs, and the Government will be acting on their recommendations.

The Global Research Alliance

I'll now turn to agricultural research and innovation initiatives. Back in mid-December 2009, the Government announced that New Zealand would contribute \$45 million over four years to a Global Research Alliance on agricultural greenhouse gases.

This is important for New Zealand, as our greenhouse gas emissions from agriculture are much higher than in most other developed countries.

Twenty eight countries have now joined New Zealand to establish the Alliance, which brings together public and private researchers from some of the world's largest economies. The Alliance will be a credible force for ensuring the resources, research capability and international goodwill to reduce agricultural emissions. At the same time it must strive to ensure

food production meets the demands of a growing world population.

It is a significant step in boosting the profile of agricultural greenhouse gas research internationally.

New Zealand hosted members of the Global Research Alliance for the first time in early April in Wellington, to discuss governance, funding and the establishment of research groups. The result was that New Zealand and the Netherlands are to co-ordinate efforts on the livestock research group – one of three groups set up within the Alliance.

Other countries leading research efforts include Japan on rice paddy management and the USA on research into crop management. The meeting also agreed on a work plan for the next twelve months and a draft charter to be finalised at a ministerial summit to be held next year. In the meantime New Zealand will host the interim Secretariat for the Alliance.

The New Zealand Agricultural Greenhouse Gas Research Centre

In addition, as part of New Zealand's commitment to the international research effort, the Prime Minister opened the New Zealand Agricultural Greenhouse Gas Research Centre earlier this year. The Centre will provide research to support New Zealand in meeting its international commitments under the Kyoto Protocol and help support food producers achieve this through affordable new technologies.

It is critical that the agricultural sector has access to effective and affordable technology that reduces greenhouse gas emissions, but doesn't compromise its agricultural productivity or efficiency. The Centre is a clear demonstration of the Government's commitment to responding sensibly to climate change and encouraging science and innovation.

The Primary Growth Partnership

The last initiative I'd like to discuss is the Primary Growth Partnership (PGP). This is a major government–industry initiative that focuses on boosting productivity through marshalling increased ongoing strategic investment in innovation. It will deliver long-term economic growth and sustainability across the primary sectors, from producer to consumer.

Investments can cover the whole of the value chain, including education and skills development, research and development, product development, commercial development and technology transfer. This initiative is another clear demonstration of the Government's bid to boost productivity across all primary industries and deliver economic growth and sustainability.

Conclusion

I am confident that we are well positioned to future-proof New Zealand's agri-food resources. A willingness to explore and embrace what science and technology have to offer will make a profound difference to the future.

As car manufacturer Henry Ford said, 'If I had asked people what they wanted, they would have answered "faster horses"!'. Innovation takes vision and the courage to do something different.