



## THE KIWIFRUIT CLAIM

**Monday 29 September 2014**

**EMBARGOED UNTIL 2PM**

### QUESTIONS AND ANSWERS

1. *Who is running The Kiwifruit Claim?*

The Kiwifruit Claim was founded by kiwifruit growers representing well in excess of 10% of the industry.

2. *Why are you running this claim?*

The introduction of Psa into New Zealand had devastating effects on kiwifruit growers and the industry. There are a number of instances where growers have lost their entire orchards (both green and gold kiwifruit), forced to undergo mortgagee sales, or just took a big hit financially. Government, through the Ministry for Primary Industries, is responsible for border security in New Zealand, and they failed us when they let Psa into the country. They were negligent, and there needs to be compensation for that.

3. *Why are you running this claim now? Didn't Psa affect orchards in 2010?*

The virus first hit in 2010, and was felt in 2011 and 2012 years. As Zespri CEO, Lain Jager notes in a recent *New Zealand Herald* article, the industry is still smarting. "The financial overhang will last for a number of years as growers re-graft to other varieties. It has cost growers a lot of money and they have been without cashflow for a number of years. Growers have taken on debt to get through all of that, so there is a bit of hard work to go yet," Mr Jager was reported as saying.

It has taken over four years to assemble the information about what happened when Psa came into New Zealand. This includes extensive DNA evidence analysis which supports our claim. It has also taken time to assess the legal position in light of this evidence.

4. *What evidence is there that this claim is worth \$885 million?*

The Sapere report, an independent report commissioned by the Ministry for Primary Industries, has quantified economic losses of at least \$885 million, even in 2012.

5. *What engagement has The Kiwifruit Claim has with the Government?*

The Kiwifruit Claim has notified the offices of the caretaker Minister of Finance, the caretaker Minister for Primary Industries and the caretaker Attorney General; local MPs; the Solicitor General; Zespri; New Zealand Kiwifruit Growers Incorporated (KGI), and Kiwifruit Vine Health (KVH) of their claim today as a matter of courtesy.

6. *Why is Zespri not involved directly?*

This is a grower initiative. We have briefed Zespri on this as a matter of courtesy, but do not expect they will become directly involved.

7. *Hasn't the Government already paid out as a result of Psa?*

In November 2010, Zespri developed an emergency package of \$50 million, half of which the Government funded. Since then, the losses have climbed to at least \$885 million according to the Ministry for Primary Industries own independent report by Sapere.

8. *What is the basis for your allegation the Government was negligent?*

The report that was commissioned by the Ministry for Primary Industries in 2012 by an independent research company, Sapere, as to import requirements in light of Psa entering New Zealand, determined that Biosecurity NZ, going all the way back to 2004, did not put in place adequate controls for New Zealand's biosecurity. Decisions made in 2007, in breach of Biosecurity NZ's own statutory regulations resulted in the importation of pollen, and again in 2009, with the importation of infected anthers from China. There was also a very poor response by Biosecurity NZ to the outbreak of Psa in Italy in the summer of 2008 and the implications of this for New Zealand.

9. *Who is funding this?*

The litigation is being part funded by growers. Funding is also coming from LPF Group Limited, a locally based litigation funder.

10. *Who qualifies to sign up to this litigation?*

All kiwifruit growers or post-harvest operators whose orchards or businesses were affected by Psa as at 1 October 2010, even if they've subsequently sold it. More information is available at [www.thekiwifruitclaim.org](http://www.thekiwifruitclaim.org) for anyone who thinks they might be a potential plaintiff can see if they qualify, or just ask for more information. Because of the broad scope of the litigation, anyone who was a grower or a post-harvest operator at the time should ask for more information via the website.

**END**

The Sapere report can be found at <http://www.biosecurity.govt.nz/files/pests/psa/psa-v-review-2012.pdf>

Inquiries:       Matthew Hooton  
                      Excelltium Ltd  
                      021 766031

Vanessa McKee  
Excelltium Ltd  
021 2226628