

Permit scheme will improve productivity

The Land Transport rule (Vehicle Dimensions and Mass Amendment), which is currently out for consultation, proposes increasing the current maximum weight limit of 44 tonne to allow vehicles of up to 50 tonne (or 53 in some cases) on approved permits.



Permitting heavier vehicles will boost productivity in agriculture and the rest of the economy. The Road Transport Forum is predicting that freight rates, as a result, may drop by up to 12 percent.

The beauty of this proposal is that with fewer truck trips needed to transport the same amount, fewer trucks will be on road, which will improve road safety and reduce fuel use and emissions.

In addition, as part of the rule change, Federated Farmers would like agricultural vehicles (such as tractors and combine harvesters) to be exempt from rules that restrict them from travelling on the roads during weekends and public holidays.

At the moment, tractors and other pieces of agricultural machinery have to obtain a permit to operate on-road during the Christmas/New Year period, which sits right in the middle of harvest - one of the busiest times of year for farmers.

Pretty much every agricultural vehicle that applies for a permit can get one - rendering the permit system a complete waste of time. A blanket exemption for agricultural vehicles would achieve the same result, but without the hassle and compliance costs.

William McGimpsey - Federated Farmers Policy Advisor

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PROVINCIAL NEWSLETTER

NORTH CANTERBURY



JULY 2009

Disappointing ranking for Council

I am ashamed to read that Environment Canterbury (ECan) has been ranked the worst performing council in New Zealand for the way it processes resource consents.



This is very disappointing given that when Federated Farmers did its "rate your council's performance survey" across New Zealand two years ago, ECan came out second to last overall (63 out of 64). At that time we went to them and discussed easy ways that the council could get back on board with its citizens.

It is disappointing to see that ECan has become increasingly difficult to deal with.

They are authoritarian in their manner and seem to push policy onto people without real consultation. I often feel that I am being told, rather than asked. I get the feeling that we are making good progress on an issue and then the matter goes to the council table and they vote another way.

ECan seems to be over-stretched with commitments and is increasingly stepping outside of its core business. The Target Pest shambles really highlights the dangers and costs imposed on ratepayers when things go wrong.

ECan is a very urban based council, yet it resides over a large rural area. The challenge for North Canterbury Federated Farmers is to help councillors understand what goes on at the farm and why.

It is important that we build an economically sustainable Canterbury for the benefit of everyone involved. We can only do this if ECan works with us.

Unless we have an economically strong Canterbury, environmental sustainability will struggle. It is important to remember that you must be in the black to be green. Everyone in this province surely wants a financially strong region and we all need to work together to achieve it.

Chris Sundstrum - North Canterbury President

Watch those lights

Tractor Lights: It will soon be that time of year when tractor drivers like to drive on the road with all their lights on. With up to six lights on high beam facing forward and up to four pointing to the rear, it can be very difficult to see the actual tractor or its indicators. I would ask drivers to get out of their cabs to look at how many lights they have on and remember it is illegal to have white lights facing the rear of any vehicle while on the road.



Stock Droving: The Selwyn District Council has made its new Stock Droving Bylaw booklet available to collect and read. The droving of dairy cattle on the road for winter grazing was complaint free - congratulations. Most applied for permits and even some who did not require a permit also applied. A couple of drovers were warned to get stock signs. Please leave gates and driveways as you found them i.e. remove tapes etc.

Baleage: Farmers who intend to put baleage, hay etc. on their roadside, please keep the following points in mind:

- Don't put bales under power lines as you can't work within four metres of power wires.
- Please leave room for motorists to get off the carriage way, park, change tyres, make cellphone calls etc.
- Don't put bales on top of buried services i.e. telephone cables and water supplies.
- Remove all tyres, baleage wrap, electric tape etc and keep the area tidy.

Neil Stott - North Canterbury Senior Vice-president

Chathams Island - beautiful ... wild... friendly

About 18 members visited the Chatham Islands branch on a farm study tour in March. This turned out to be a great two-way exchange of ideas. Mainland members had an opportunity to see how farmers on the islands work the land and both had a chance to compare notes.

It was also a good opportunity for Frank Brenmuhl and I to support Tony Anderson, the Chatham Islands branch chairperson,

in meetings with their local council and Enterprise Trust. We talked about shipping, rates and the general high cost structure for fuel, farm supplies and food etc.

The problem with island shipping is that local farmers have 70,000 stock units to get off the island to sales yards each year but there is only shipping capacity for 40,000.

We stayed a week and during that time had many wonderful experiences with very

hospitable hosts. The Chathams and Pitt Islands are extremely varied in geography and we got to drive and walk over most of the land.

I thoroughly recommend it as a great place for a holiday and no doubt the North Canterbury province will organise another one of these study tours in the future. Look out for it and come along.



Hurunui District Council Rural Subdivision Rules

The Hurunui District Council is about to review its rural subdivision rules, producing a draft proposal within the next month or two. North Canterbury Federated Farmers has had some input already and will make a formal public submission on the matter when submissions are called for later in the year.

We encourage all interested members to take note of council's proposal and do something about it if they're unhappy.

Often we hear the comment, "good farm land should not be going into lifestyle blocks". We also hear, "thank heavens I can sell off a few sections to fund my retirement". What do you think?

We encourage members to lodge their own submission, or have input into the



Federation's submission. Feel free to call Anna McKenzie, Federated Farmers Policy Advisor on 0800 327 646.

Drought affecting parts of North Canterbury

We are well into winter now, with part of our province in a declared drought. Throughout the province, farmers have been telling me that it is a typical winter, short of feed, cold, not enough sunny days and can't wait for spring to arrive.



The few ewe scanning figures I have heard are just so-so. Nothing outstanding but no disasters. However, I do not hear everyone's scanning results. I hope we can all get through the next few months with enough feed for our stock and good lambing and calving results. All the talk is about lamb and sheep prices being similar next year (depending on the value of the New Zealand dollar). Prospects for beef are similar as well. I do not know what to predict about wool!

I recently attended the Federated Farmers Meat & Fibre Conference in Auckland. The main speakers were from Elder's Wool, Affco and Meat and Wool New Zealand.

Elder's and Affco were really interesting, although they may not be the biggest players in North Canterbury; they are still major players in the New Zealand meat and wool industry. Both (as are other companies) are looking towards more contracts with farmers to supply product and they are very focussed on their consumers' needs.

Meat and Wool (MWNZ) chairman, Mike Petersen, spent some time discussing the referendum that we will soon be involved in. I hope you all have taken an interest in this matter and take the opportunity to vote next month.

My opinion, for what it is worth, is that we need an industry good organisation, and so should support the proposal. (Having not seen the final proposal yet, I assume it will not be too horrendous.) I worry about what would happen to our industry if MWNZ falls over. Some of their most valuable work is not seen by most farmers, especially in the

trade access area. When the Government is discussing quotas, tariffs and free trade agreements, MWNZ and occasionally the Federation, is right behind them, telling Government about the implications to our industries of any decisions made.

There is also a lot of research being carried out that benefits all agriculture which we cannot expect Silver Fern Farms, Alliance or Fonterra etc to fund. One example is the research into genetic modification within the ryegrass species, which so far is showing tremendous results in a laboratory with regard to drought resistance.

If we do not have MWNZ, who is going to facilitate and fund this work?

However, I think that over the next five years, before the next referendum, MWNZ should move out of all sector (meat, wool, dairy, arable etc) investment and leave it to the sectors themselves. This would require a strong Meat Industry Organisation and a similar organisation in wool etc. DairyNZ is already up and running very well. These organisations would cover on farm research specific to that sector as well as off farm work such as meat works technology, wool research, market research and promotion. Invariably the farmers would still pay, but through your processing companies and not a levy. This idea would see MWNZ shrink to probably less than half of what it is now.

NAIT lingers on as we await the release of a business case to show it is an affordable scheme. The Federation wants to see a system that works and is affordable. The system proposed a few months ago did neither.



Feel free to give me a call on any issue above, or any other matter in our industry.

Dugald McLean - North Canterbury Meat & Fibre Chair

The difference a year makes

It's amazing what can happen in 12 months. This time last year we had received a top payout and were looking at \$7 for the upcoming season. Now we have ended up with, hopefully, \$5.20 and are looking down the barrel of a \$4.55 payout.



This is going to affect everyone, but we do have to be careful how we manage it, prices are going to have to reduce for all inputs. In the medium to long term dairy has a positive future, so we still want our suppliers to be there - communication is key.

An early call to the bank and keeping in touch with neighbours and wider support groups is important. There are people that bought on the high that will need support.

On a positive note, the winter has been kind, so far. Utilisation of crops has been excellent and cows are in reasonable shape. Covers on farms are generally lower than target, due to a bad May, but June did catch us up a little. Good luck for a successful spring.

Kieran Stone - North Canterbury Dairy Chair

Darfield, Sheffield & Hororata Branches

MID-WINTER DINNER

7pm, Wednesday 12 August 2009

Coalgate Tavern
Bridge Street, Coalgate

Meet at 7.00pm, Meal 7.30pm

Cost: \$24.00

Speaker: TBA

All North Canterbury members and partners welcome

RSVP:

Neil Stott | Phone: 03 318 8577

Andy Stewart | Phone: 03 318 0646 or

Peter Williams | Phone: 03 018 4720

Policy round-up

Natural Resources Regional Plan (NRRP)

Variation 1 of Canterbury's NRRP (including chapters on Water Quantity, Water Quality, Beds and Margins of Lakes and Rivers, Wetlands and Soil Conservation) reached the end of its hearing phase in early June. Fittingly the final hearing was about one of the more contentious parts of the plan - Schedule WQN9, which sets seasonal limits on the quantity of water that can be used for irrigation.

Federated Farmers first submitted on Variation 1 in 2004 and further submitted the following year. The hearing process has been a major effort involving the presentation of evidence at 34 hearing stages over two and a half years. The NRRP chapters cover many water quantity, water quality and other issues that are of vital importance to farming.

Some important gains have been indicated during the process to date, but final decisions from the hearing panels are not expected until 2010. Following the decisions, submitters will have the opportunity to appeal to the Environment Court on any aspect of the plan that was covered by their submissions. Because of the comprehensive nature of our submissions, Federated Farmers is well placed to appeal any aspects of the plan that remain unsatisfactory from a farming perspective. Following appeals, resolution of appeal points

will be sought through the Environment Court via mediations or hearings.

ENVIRONMENT CANTERBURY LTCCP GAINS: Water Management Charge

In its draft Long Term Council Community Plan (LTCCP), ECan proposed to introduce a water management charge - based on consented volume - beginning in 2009/10. The proposed charge would fund 30 percent of the costs associated with investigating and monitoring the water resource over and above the state of the environment monitoring required under section 35 of the RMA.

Federated Farmers strongly opposed the proposal and added that any such proposal would need to be accompanied by local control of the budget and work programme. In response to Federated Farmers and other submissions, the charging proposal has been postponed for at least a year, pending discussions with consent holders. Following this temporary reprieve, the challenge is now to engage with ECan to get a good outcome for the medium and longer term.

Bovine TB

Environment Canterbury proposed to reduce its contribution (from targeted rates) to the Animal Health Board's (AHB) bovine tuberculosis vector control programme by approximately \$250,000. This would have



meant a reduction of \$500,000 to the programme when taking into account the loss of the dollar for dollar contribution from central government. Federated Farmers opposed the reduction in funding, highlighting the importance of bovine Tb control to the regional and national economy. Possum control is also of vital importance in achieving ECan's biodiversity objectives. In response to submissions, the regional contribution to the AHB vector control programme has been fully restored while awaiting the outcome of the National Pest Management Strategy Review.

Lionel Hume - Federated Farmers of NZ Senior Policy Advisor

Sector specific rates fundamentally flawed



The dairy sector in Southland received some good news last week when Environment Southland opted to defer its proposed water use charges and substantially reduce the amount of a proposed differential rate on dairy properties. Bay of Plenty Farmers have also just heard that a proposed dairy rate has been deferred.

So where to from here?

Environment Southland's proposals were not unique. In recent weeks Federated Farmers

has also lobbied hard against attempts by ECan to set an arbitrary price on water. While Federated Farmers supports the principle of user pays, the proposed water charges were set at an arbitrary amount and appeared to be little more than revenue collection.

As mentioned, both Environment Southland and Environment Bay of Plenty have also proposed specific rates aimed specifically at the dairy sector as part of its 2009 LTCCPs. Due to the hard work of Federated Farmers and some committed farmers however, the new rates have been deferred in Bay of Plenty and substantially lowered in Southland. Farmers might feel relieved in the short term but clearly there are some disturbing trends in terms of how regional councils intend to treat the dairy sector.

Federated Farmers saw the environment rates as potentially mortal to farmers' balance sheets, and sought to demonstrate the environmental stewardship efforts of individual farmers. It was important to show both regional councils that by damaging farmers' cashflow they would be reducing the farmer's ability to improve farming systems and continue their proven private investment in water quality. Everyone's needs

are met when good practice is recognised and encouraged.

The underlying tragedy continues to be an emotionally fuelled public perception that all dairy farming is bad. It is not. It is fantastic for the country. Regional councils have a part to play in fixing this perception. Environment Southland and Environment Bay of Plenty were convinced during the submission process that punishing every farmer with a generic punitive rate will not achieve effective environmental outcomes, will not change the behaviour of individual farmers and will place no onus on farmers to get things right on farm.

These councils had the whole industry collectively telling them the same thing. That the proposals put forward would not have achieved an outcome that every single New Zealander wants to see. This is a dairy sector that is empowered and celebrated for taking responsibility for its own environmental footprint.

David Cooper, Federated Farmers of NZ Policy Advisor