

## Permit scheme will improve productivity

The Land Transport rule (Vehicle Dimensions and Mass Amendment), currently out for consultation, proposes increasing the 44 tonne maximum weight limit 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 wants 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 the 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**

## Fraser Farm Finance

**Donald E Fraser Dip Ag., Dip VFM, (Lincoln) MNZIPIM from Fraser Farm Finance**

Don is a Farm Consultant and Rural Business Advisor. He has vast experience in the farming sector and can help with more than just farm finance.

As an experienced farm consultant, Don offers consulting to all aspects of rural business including farm management, sharemilking, orchards, financial planning, farm succession planning, land management, investment and trust and contract negotiation.

His financial experience includes six years with the former Rural Bank, three years managing lending on large farms for Colonial Mutual Life, 21 years as a registered valuer and 12 years as a farm financial consultant.

He has also spent 10 years dairy farming, three years deer farming, five years dairy grazing, three years bull farming, three years avocado farming and owns some substantial commercial properties.

To find out more about done, please visit: [www.fraserfinance.co.nz](http://www.fraserfinance.co.nz)

**Bay of Plenty Federated Farmers Office**  
45 Grey Street, PO Box 13531, Tauranga 3141  
Phone: 07 578 5039 Fax: 07 578 5526  
Email: [bayofplenty@fedfarm.org.nz](mailto:bayofplenty@fedfarm.org.nz)

## CHANGE

**Change in agriculture** - encourage your family, as we need more university graduates to create a bright future.



**Managing change** - Farmers need to lead the change. Please ensure you support your leaders and motivate them to keep going. Find out what is annoying you and step over your fear. Honesty is the first step to change.

## Welcome to New Members

David & Carol Hodge (Pikowai), Ratahi Holdings Ltd (Tauranga), Mrs Barbara Law - Unicorn Trust (Whakatane), Richard E Mayo (Opotiki), T V Vierboom Family Trust (Galatea), Ian & Andrea Brown (Opotiki), Mr & Mrs Steiner (Murupara), Steven Night & Amanda Stevens (Pikowai), Dave & Petra Parkinson (Opotiki), Corey Veens (Rotorua), Donald Johnstone & Jay Weeks (Tauranga), Matt & Trudy Williams (Te Puke)

## PROVINCIAL CONTACT LIST



BAY OF PLENTY

<b>PRESIDENT</b>	
Alan Law	07 304 9536
<b>VICE-PRESIDENT</b>	
John Scrimgeour	07 533 3681
<b>JUNIOR VICE-PRESIDENT</b>	
Gerard Van Beek	07 308 6474
<b>TREASURER</b>	
Kaye Graham	07 308 4915
<b>COMMITTEE</b>	
Denis McFetridge	07 543 1072
Tim Mackintosh	07 322 1039
John Howard	07 308 5084
Derek Spratt	07 533 3764
Paul Burt	07 322 2329
Rick Powdrell	07 573 7481
Steve Bailey	07 573 7098
<b>DAIRY CHAIR</b>	
John Scrimgeour	07 533 3681
<b>DAIRY VICE-CHAIRS</b>	
John Howard	07 308 5084
Gerard Van Beek	07 308 6474
<b>MEAT &amp; FIBRE CHAIR</b>	
Tim Mackintosh	07 322 1039
<b>MEAT &amp; FIBRE VICE-CHAIRS</b>	
Paul Burt	07 322 2329
Rick Powdrell	07 573 7481
<b>SHAREMILKER EMPLOYERS' CHAIR</b>	
Scottie McLeod	07 308 7731
<b>SHAREMILKER EMPLOYERS' VICE-CHAIR</b>	
Alan Law	07 304 9536
<b>SHAREMILKERS' CHAIR</b>	
Jon Russell	07 308 2521
<b>SHAREMILKERS' VICE-CHAIR</b>	
Richard Hamilton	07 533 3239
<b>GRAIN &amp; SEED CHAIR</b>	
Colin MacKinnon	07 308 0616
<b>GRAIN &amp; SEED VICE-CHAIRS</b>	
David Blennerhassett	07 533 3671
Robert Power	07 308 8414
<b>RECRUITMENT OFFICER</b>	
Eileen Hart	<a href="mailto:hartzn@hotmail.com">hartzn@hotmail.com</a>
<b>BAY OF PLENTY BRANCH COMMITTEES</b>	
<b>KAITIKATI/TAURANGA</b>	
Chair: Barry Roberts	07 543 1025
<b>TE PUKE</b>	
Chair: Steve Bailey	07 573 7098
<b>MANAWAHE</b>	
Paul Furniss	07 322 2391
<b>WHAKATANE/GALATEA</b>	
Gerard Van Beek	07 308 6474
<b>Opotiki</b>	
Bob Redpath	07 315 7761

# LOCAL VOICE

## PROVINCIAL NEWSLETTER

BAY OF PLENTY



JULY/AUGUST 2009

## President busy on your behalf

I attended all branch annual general meetings (AGM) and the Sharemilkers' AGM prior to the provincial conference. It is fantastic to see so many core groups still keen on keeping the branch structure in place.

The Reserve Bank visited the province on 7 April. We had a free and frank exchange of views with representatives from all farming sections and discussed the economic challenges we currently face.



The Executive and guests including Federated Farmers Dairy Chairperson, Lachlan McKenzie, met with Fonterra Director, Colin Armer, on 24 April. The response to Federated Farmers Bay of Plenty's letter to Fonterra, which outlined our concerns over sharemilking and shareholder financial issues expressed:

- Current stress levels
- Fonterra needs better communication
- Concern of payout lagging
- Sharemilkers' financial position.

Fonterra debt equals 61 percent, but the cooperative's target, as of 31 July, is in the low 50 percent bracket, with the aim to drop this to 40 percent within three years. Credit rating is critical for the company. Fonterra is close to the banks regarding shareholding and banks are comfortable with the current situation. Fifty percent of shareholding will be cash negative at the end of this season and RD1 is looking at help with extended interest free terms.

As a result of our meeting and other lobbying, Fonterra increased its June payout and also brought forward some of its value add payment, which was to be paid in October. So it was certainly worth the effort for our farmers.

A special thanks to Gerard for his economic analysis work.

The province's AGM/Conference on 5 May ran smoothly. I also attended the Rotorua Health Board meeting to get a 'heads up' on swine flu. The Federation is working with other agencies in the community to combat an outbreak, although our industry would potentially have animal welfare issues to deal with as well. National office also has a generic system in place that can be quickly implemented if the farming sector is heavily impacted by swine flu.

Following the above meetings, I attended the Bay of Plenty Rural Support Trust AGM on 24 June. I have attended two meetings and made a meaningful contribution as a Federated Farmers Trustee. Issues covered include a new Trust Deed, Civil Defence Strategy, drought areas (Galatea, Broadlands and Otamarakau), mail drops, field day and barbeque with DairyNZ and Rural Co-ordinator, Pat Kilgariff. A drought meeting was held in Galatea on 4 June as well.

Kaye Graham and I met with Diane Turner, of the Whakatane District Council and other council staff. We voiced our concern over the deteriorating RAPID numbers. We also presented letters of concern from two fire services, St John and a police representative. We took photos and expressed the view that the failed numbers need replacing. Whakatane District Council will investigate how much it will cost and get back to us. Staff included this project in the Whakatane District Council Long Term Council Community Plan (LTCCP).

On Wednesday, 17 June, I listened to submissions on the Whakatane District Council plan, looking at the SNIPS proposal.

I was recently contacted by a member regarding Western Bay of Plenty District Council's district plan. They had contracted a consultant to help them with a subdivision. As result, I spent four days learning about the role played by local authorities in the legal process and property rights. I also met with Lachlan McKenzie, Federated Farmers board member and Dairy chairman. He floated the idea of a new strategy for Federated Farmers to better pursue rights in property and spoke about the problems created by 'out of control' local authorities.

I was given the 'green light' from Don Nicolson to address the National Conference during the soap box session. I emailed all delegates pre-conference and then spoke before a remit was passed. The conference was dominated by discussions about the frustrating behaviour of local authorities and those taxpayer funded environmentalists, which submit against all of us and provide no compensation for the taking of our property rights.

Altogether, it has been a busy period for your President.

**Alan Law - Bay of Plenty President**



## STEP UP AND BECOME A LEADER

**If you are interested in attending a Federation Farmers Leadership Course, please contact Ali Undorf-Lay or Jessie Cameron on 0800 327 646.**

**Getting Your Feet Wet** is an orientation course for members wanting to learn more about Federated Farmers, the lobbying process and leadership skills. For more information and dates please call 0800 327 646.

**Shining Under the Spotlight** is an advanced course for current and future provincial and industry group leaders. For more information and dates please call 0800 327 646



**Future Thinking**  
FFNZ Leadership Courses



## Provincial AGM well attended

Federated Farmers Bay of Plenty provincial team, led by returning provincial president, Alan Law, will lead the province into the future following the annual general meeting earlier this year.



Bay of Plenty Vice-president, John Scrimgeour, conversing with Federated Farmers of NZ, Lachlan McKenzie at the 2009 Bay of Plenty AGM.

Alan received a strong endorsement from the Federation's Bay of Plenty members and pledged to continue to advocate for farming

in the province. The AGM was very well attended. Federated Farmers vice-president, Frank Brenmuhl and Meat & Wool Northern North Island director, James Parsons, both addressed the Meat and Fibre section.

Meanwhile, the Dairy section was entertained and informed by the Federation's Dairy chair, Lachlan McKenzie and Fonterra director, Ian Farrelly, who were both lively speakers.

Long time Bay of Plenty Federated Farmers member, Bruce MacDougall, of Te Puke, received a lifetime membership at the AGM and this was certainly the highlight of the evening.

The Bay of Plenty branch will continue to remind people that farming is the backbone of the local community and the entire New Zealand economy. Agriculture may face some important challenges at the moment and striking a balance between economic prosperity and the environment potentially tops that list. It is often said you have to be in



Bay of Plenty President - Alan Law, congratulating Bruce MacDougall on his Life Membership nomination at the 2009 Bay of Plenty AGM.

the black to be green and the wisdom of that is sometimes lost on policy makers in the Bay of Plenty as well as in Wellington.

A key role of Federated Farmers is to work on farm viability and progressiveness so that you can get on with the business of farming.

## Nick on national policy issues



Nick Clark, the Federation's Manager General Policy, spoke at the July meeting of Bay of Plenty's provincial executive about national policy issues. Nick related his experiences dealing with the National-led Government, emphasising that it is an action oriented Government, which is interested in creating and receiving workable solutions rather than just hearing about the problems. He noted that

the Federation is engaging with Government on a number of fronts, most notably:

- RMA reform. Phase one focused on improving processes, but we want the next phase of reform to address big issues such as the recognition of property rights and compensation.
- Rodney Hide's Regulatory Responsibility Bill and the Regulatory Responsibility Task Force. We are again keen to ensure that the bill protects property rights.
- Local government funding reform. We support measures to improve transparency and accountability as well as Rodney Hide's call for councils to contain spending. But we also want funding reform to reduce councils' reliance on rates.
- Climate Change Policy and Emissions Trading Scheme (ETS). We submitted

in opposition to the ETS Review Select Committee. We are also engaged in some behind-the-scenes work including the Government's preparations for international negotiations.

- Water policy. We are pushing the Government to help facilitate greater use of water storage.
- Banking and interest rates. We are actively seeking to hold banks to account with their interest rates and to ensure that banks continue to support farmers through the current period of difficulty.
- Compliance costs. There is a lot of ongoing work to reduce the compliance costs around issues as diverse as transport, ACC and employment.

## 'One Event' 2009

Federated Farmers annual conference was held from 30 June to 2 July in Auckland.

### Elections

**New Vice-president** - Donald Aubrey, of Geraldine, who is the immediate past chairman of Federated Farmers High Country industry group. Donald has been involved in the High Country Accord and Tenure Review with Government.

New Board Member - David Rose, immediate past president of Southland province.



John Key addresses Federated Farmers members at the 'One Event'.

### Remits

Addressing rights in property and local authority behaviour, biosecurity at ports, weed and pest control on crown land, Tb funding, Animal Health Board review and ryegrass performance in new pastures.

### Issues that were covered include:

- Farming viability
- Environment stewardship
- Research and development in New Zealand
- Federated Farmers policy successes in 2008/2009
- Submissions on Long Term Council Community Plans
- Electricity
- Rural Support Trust establishment
- Climate change and the Emissions Trading Scheme
- Communication between National Council and provinces
- The process of dealing with local authorities and the submission process. Issue of lack of economic and social affects not considered enough by some local authorities.
- The fact that some local authorities are captured by environmental groups pushing their own agenda.

The next two months will be challenging for us all but the sun will rise again. We need to communicate well with our professional team and control costs

**Alan Law - Bay of Plenty President**

## NZ DAIRY INDUSTRY AWARDS

Congratulations to Mark Nicholas, of Whakatane, who was named New Zealand's Top Young Dairy Farmer and Dairy Trainee of the Year (from 12 regional finalists).

Congratulations also go to John and Kim Wakefield (Bay of Plenty Sharemilkers of the Year), who won the Ravensdown Pasture Performance merit award and Phil Moeka (Bay of Plenty Farm Manager of the Year), who won the DairyNZ Human Resource Management merit award



## FARMSAFE COURSES

To enrol please contact Andrew Primrose (Northern Regional Manager)

**Phone: 07 573 6711 or 0800 545 747**

Each workshop earns credits towards NZQA qualifications in agriculture, enabling those taking part to gain valuable qualifications to further their career.

To find out more about FarmSafe visit their website at [www.farmsafe.co.nz](http://www.farmsafe.co.nz).

## Nigel Billings on rates

Federated Farmers Senior Policy Advisor, Nigel Billings, sees three options to help fund local government activities. One is for local government to get eight percent of the GST take allocated, based on the operating expenditure of local government for core services like water and sewerage.



"Central government has not been a good partner to local government and it remains to be seen if Rodney Hide, as Minister for Local Government, will improve this relationship. No promises have been offered on revisiting the 2007 Rates Inquiry, probably the most intelligent and authoritative review ever done on rating," Nigel says.

Another option is to target taxes to specific ends. Nigel applauds Waitaki District Council's decision to implement a targeted 'tourism tax' on related businesses in its Long Term Council Community Plan. The extra costs of waste management and tourist facilities that would otherwise be paid for by a general rate are targeted at those who benefit most. The businesses that contribute directly benefit from tourism. These include petrol stations, accommodation, restaurants and tourism companies. However, the council

has received a flood of submissions and has decided to put the tax on hold.

The third option is an income type tax for local body funding. "We are told that the transaction cost of such a system would be too great, but how efficient is re-valuing properties every three years to base council rates on?" Nigel says other taxes including ACC levies come off Inland Revenue payments. Local government payments should also be based on income, not property assets.

Nigel envisages a formula to adjust future central government funding which is similar to that used for roading in less populated rural areas. It is bizarre that local government cannot be given access to central government funding tools. "There seems to be a fear that it will become open ended, but it is already. Ratepayers have no redress if they wish to dispute their rate amount," Nigel says.



Tauranga has struggled with rates and facilities for years. This is a sign of what will happen across the rest of the country as the population ages and more people assume a fixed income. "The explosion of demand for services is beyond the ability of councils to provide and they cannot continue to rely on a rural land base to fund that growth," Nigel says

## Goat Meat Levy Referendum



Contrary to earlier statements, it now seems Meat & Wool New Zealand will consider a continuation of the Goat Advisory Group (or similar) and is currently looking at the possibility of funding a group through meat levies.

If this proceeds and you wish to vote in the referendum, you must be registered as a (goat meat) levy payer. You can register irrespective of the number of goats you have sent for processing.

Registration forms were sent out to all Federated Farmers Goats members last year, but if you require another, please visit the Meat & Wool New Zealand web site at [www.meatandwoolnz.co.nz](http://www.meatandwoolnz.co.nz) (and enter the keyword "Registration") or contact Meat & Wool New Zealand on 0800 696 328