

## Autumn and winter have remained challenging

Farming in the Rotorua/Taupo province has remained a challenge this autumn and winter. Coming through a dry summer, the catch up in autumn didn't happen. Farmers have minimised stock numbers and are still on tight feed budgets.

In Reporoa/Waikite, Ngakuru and Atiamuri, there has been a resurgence of discussion groups and it has been great to see so many attending. This has given individuals a chance to gain some moral support and socialisation without actually asking for help. Offering some ways of getting through in tight feed situations and maximising production by management skills, has given some optimism for a reasonable spring.

After attending the National Dairy Conference on 30 June, I noted most areas are suffering from the same problems. High rates,

electricity, compliance and environmental costs were all at the forefront in dairying areas across the country. Federated Farmers has been working nationally to support farmers by reducing these costs and eliminating the introduction of others. It is important that we all do our part by being informed on all issues affecting sustainable farming in our region.

As calving gets underway, it is important



that animal welfare is a priority within our business. Bobby calves, sick and calving stock must be treated quickly and effectively. Dairy farming is always under scrutiny and we have to prove that our animal husbandry and management skills are second to none.

During these difficult times, it is imperative that contact is maintained with our banks. Rural managers can help with budgeting and cash flow forecasts. Knowing where you stand financially is the only way to progress successfully.

Federated Farmers has been talking with the banking sector to ensure farmers are not being charged huge interest on overdrafts and can continue with their business.

Good luck with the season and let's head onward and upward with optimism.

*Joy Thomas - Rotorua/Taupo Dairy Chair*

# LOCAL VOICE

## PROVINCIAL NEWSLETTER



ROTORUA/TAUPO

JULY 2009

## A POWERFUL VOICE - but we need your membership



- We are still working hard to challenge the inequity against rural land owners of district council rating systems.
- We fought and won the battle over having to microchip all farm dogs, saving some farmers hundreds of dollars per annum.



Times are tough and cash flow is tight, but Federated Farmers need your continued support in order to assist farmers to stem the tide of rising costs. Your membership really counts, as you give us the means to advocate and lobby local and central government to keep costs in your farm business as low as possible. The reality is that there are many off-farm drivers and risks outside of the individual farmer's control. They are so important to the business and future of farming, that farmers must collaborate to influence their future direction. The more farmers we have as members the more we can work on your behalf.

Our work has saved farmers thousands of dollars in the past year. Below are just a few of the 'wins' and initiatives that Federated Farmers has on the go to improve your farming businesses.

- Rotorua farmers have successfully convinced Environment Bay of Plenty to drop its targeted dairy rate this year, saving each dairy farmer, on average, \$4,912 in 2009 and \$7,733 in 2012.
- Since the rate was first proposed nearly four years ago, farmers have saved, on average, more than \$10,000 per year.
- Federated Farmers lobbied hard against the Property Access Bill to protect the property rights of landowners.



In addition to the lobbying work carried out for farmers, there are many other benefits of being a member as set out below.



**Contracts and Agreements** - These include Agreement to Grow, Contractors, Employment, Leases, Sharemilking, Sales and Purchase.



The Federation has many resources which can be called on to help members resolve problems. Members have a number of options when seeking advice from Federated Farmers.

**0800 FARMING Advice Line** - Members can ring 0800 327 646 between 8.30am and 5pm to speak with our advice team.

**Email us** - Members can seek advice by emailing questions to the Federation.

**Fact sheets** - These quick summary sheets are written by policy staff for our members. They give essential information on topical issues in easy-to-understand language.

**Special discounts** - As a member of Federated Farmers you can access our full range of special discount offers.

**For more information on the above, please visit [www.fedfarm.org.nz](http://www.fedfarm.org.nz)**

For those who are not currently members, or would like to renew their membership, we would be happy to discuss payment options. Call Federated Farmers team now on 0800 327 646.

We look forward to continuing to work together to support you and your farming business. Remember, it is a team effort that hinges on you being a member.



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# New president for Rotorua/Taupo

Welcome to my first report as President. The main topics that I wish to touch on are (1) the 'Position Paper' from the dairy farmers of the Rotorua catchments, (2) targeted rates, (3) farmers agreement with Environment Bay of Plenty (ENVBOP) over the ongoing work on controlling the nutrients into the Rerewhakaaitu lake and (3) the aerial use of 1080 in the Taupo district.



## Position paper:

It is great to see the Rotorua/Taupo Dairy industry group come up with a position paper that has been presented to both the technical advisory group and the ENVBOP policy staff for consideration. We are looking forward to a favourable outcome, even though this paper doesn't go all the way to achieving ENVBOP's nitrogen reduction in the Rotorua catchment. Congratulations to all on the proactive approach to achieving this stage - a great start!

## Targeted rate:

After numerous meetings regarding this topic, many farmers were relieved that ENVBOP decided to drop the targeted rate for another year, especially at a time when many farmers are already facing financial hardship. It is disappointing that we may have to re-address this whole topic next year, especially after this very same targeted rate was squashed three years ago.

My personal view is that council has only

allowed 12 months so it can ensure farmers are actually achieving what is required of them in the position paper. As you are aware, all farmers are spending large sums of money on new practices to reduce nitrogen loss. Local government policy makers need to remember you must be in the black to be green!

In the meantime, the regional council must invest time and energy into developing a fair and equitable rating system that isn't going to put one of our region's most productive sectors at risk.

## Rerewhakaaitu Agreement:

Well done to all the farmers in the Rerewhakaaitu catchment who have been working with ENVBOP towards the 'Stewardship Agreement'. Now that farmers have an agreed plan, we can all work forward together towards one goal, which is making sure that Lake Rerewhakaaitu doesn't deteriorate.

## Aerial 1080 application:

Taupo District Council is currently considering the merits or otherwise of aerial 1080 spreading and to this end a special meeting was held in Taupo on Wednesday, 15 July. About 200 people attended, indicating there is strong community interest in the issue. The Animal Health Board (AHB), Department of Conservation (DoC), medical health officers, farmers and conservationists gave an unemotional, factual, relevant presentation based on science and sound reasoning. On the other hand, those opposed to the aerial application of 1080 made several assertions that are simply incorrect or unsupported by scientific evidence.

The district council has no legal authority

to intervene in the matter. In fact, when the resource consents for aerial 1080 application come up for renewal, it will be the regional council - not the district council - that considers the application. Taupo ratepayers, as a result, are funding two separate investigations into the aerial application of 1080, one of which has no legal standing whatsoever.

AHB, or TB Free as it is now called, is certain it can eradicate TB from the possum population and insist that 1080 is a necessary tool to achieve this objective. ERMA undertook an extensive review of the use of 1080 in 2007 and accepted that it was the best tool currently available. Both sides were well presented at the ERMA enquiry.

With a new president sometimes comes change. I am looking at re-organising the province so each community has a greater say on specific topics that apply to their areas. I would appreciate people from these communities putting their hands up to coordinate these discussions and report their findings back to the management committee so action can be advanced. It is also a way for each province to take responsibility for the happenings and outcomes in their area.

Should you have any issues that you wish to discuss or have clarified please do not hesitate to contact either myself or one of the management committee at anytime. We are only too happy to answer your queries. Our contact details are included on the back page of this newsletter.

Good luck to all farmers as the busy time of calving and lambing begins.

**Neil Heather - Rotorua/Taupo President**



# Waikato River allocation

The proposed Waikato River Iwi Treaty Settlement has thrown a spanner in the works. While there was to be three guardian boards covering the river, including one for our area, the Government has decided there will now be one for the whole river. This is a pity, as we were working with Raukawa and Te Arawa on an agreement as to what we could do as far as water quality goes and we were making progress. But now the outcome has to be applied to all of the catchment.



There is a real risk that Upper Waikato farmers will be left in the lurch, but we have better Iwi relations and a better understanding of water quality issues than other areas. It is a bit like sleeping with elephants, they can roll over and squash you without even meaning to.

Environment Waikato's (EW) first cut at the hydro catchment to maintain water quality is to set 24kg of nitrogen leaching by controlling stocking rates as in Taupo. You are leaching around 48kg a hectare, so draw your own conclusions, half your stocking rate. They can dream. This time they can get the science right and look at mitigation as well.

The EW staff attitude is really pathetic. We don't know if the river is nitrogen (N) or

phosphate (P) limited and P is a lot more possible to restrict than N. The river will never be completely safe to swim in as giardia and cryptosporidium, as well as being endemic in feral animals, infects the water. Both the animals and the arsenic have to be filtered out to give potable water.

Heavy metals such as mercury from geothermal fluids are in the sediment of the hydro dams and are taken up by the fish, but the fish have not been tested for 20 years. EW's too hard basket could dam the river.

The Ministry of the Environment is paying for a science scoping study of the river that will be driven by the report, The Health of the Waikato River and Catchment - Information for the Guardians Establishment Committee, which farmers considered anti-farming and felt it conveniently overlooked the too hard basket. So we will be taking an active part in the scoping process.

We have also discussed with our fellow members in the Upper Waikato Community Consultation, the possibility of an Environmental Stewardship Agreement (ESA) for the upper Waikato as well as what form that agreement might take. It would certainly cover effluent disposal, stream fencing and culverts. The agreement would be voluntary and low cost. However, there would be enforceable rules and those few that think they can bludge off the rest of us by staying outside the agreement, would have to pay directly for a very costly alternate compliance scheme - very costly if EW has any back bone.

The ESA is pie in the sky at the moment, but it offers a direction to travel in.

**Gifford McFadden - Hydro Catchment sub-Committee Chairman**

# New face for Sharemilkers' Section

I would like to take this opportunity to introduce myself as the new Sharemilkers' Section chairperson for the Rotorua/Taupo province. My wife Teresa and I 50:50 sharemilk 600 cows at Ngongotaha, just north of Rotorua.



I felt this newsletter was a good opportunity to highlight some of the work Federated Farmers has been doing to support sharemilkers. We are in the process of revamping the sharemilking agreements and these will be far more in depth and will offer sharemilkers better coverage and protection of their rights.

We are lobbying Fonterra at numerous levels to ensure sharemilkers will not be disadvantaged by any changes to Fonterra's capital structure. We are closely monitoring developments regarding the NAIT electronic tagging scheme to ensure herd owners are not wearing any unnecessary cost.

We will continue with our involvement in the Sharemilker of the Year competition, which offers sharemilkers an amazing opportunity to analyse and develop their business.

Federated Farmers is committed to working for you and view sharemilkers as vitally important to the success of the dairy industry. I would also like to take this opportunity to encourage any sharemilkers who are not members to sign up, because having an organisation such as Federated Farmers supporting us and lobbying on our behalf is crucial but without members this work cannot continue.

If anyone has any issues or needs advice or assistance, please do not hesitate to contact me on 07 332 2800, 027 288 05863 or drop me an email at [chris.teresa@farmside.co.nz](mailto:chris.teresa@farmside.co.nz)

**Chris Moore - Rotoura/Taupo Sharemilkers' Section Chair**

# Elders launch 'Just Shorn'

The Meat & Fibre conference was the second launch pad for Elders to set alight their "Just Shorn" New Zealand wool branding. In association with American CCA Global Partners, the launch of the retail partnership will take place in January 2010. The question must again be asked,



"how much and when?"

Some articles have quoted the promotion will 'double' the wool price (double nothing is still nothing, though!!).

When I look at branding like NZ Wool Services International 'Purelana', it has taken five years to get any traction for improved returns for themselves, with growers starting to see the benefits of uniform supply (to specification).

Natural, sustainable, beautiful. We all know how good our product is, but when one sees an advertisement for an American nylon carpet with a cute little girl cuddling a lamb, a trip to the Advertising Standards Authority (American) should follow!

Some realities of the marketing of lamb were expressed by Stuart Western of AFFCO. Unfortunately, the shoulder end of a lamb is not as attractive to market as the rear end!

It's amazing how many lamb chops I can get off a shoulder with a bandsaw!

The drive to push a lamb's value to \$150 (T150) continues. It is noted that the returns to farmers has risen from 25 percent to 28 percent of retail. Ever seen a poor supermarket owner?

**Julian Hughes - Rotorua/Taupo Meat & Fibre Chair**

# RURAL SUPPORT TRUST

- Financial pressure?
- Weather woes?
- Stock feed and welfare?
- Employment issues?
- Work pressure?
- Family and health concerns?

The Rural Trust is a free service to help farmers in need of support.

**0800 RURAL HELP or 0800 787 254**