

LOCAL VOICE

PROVINCIAL NEWSLETTER



WEST COAST

JULY 2010

AGM well attended

At the beginning of May we held our provincial AGM. I have included a list of who hold the positions of responsibility and their contact in this newsletter. The AGM saw a good turn out of farmers and everyone enjoyed the speakers.



MP Chris Auchinvole spoke about the Emissions Trading Scheme (ETS), but I am still left wondering exactly what it is going to cost farmers in the end. Costs such as fuel and electricity, among others, are slowly coming out, these will affect everyone from the man on the street to big business. Big businesses, of course will have the luxury of being able to pass on their costs all the way down to the end consumer and as a result it will compound into the final price paid for goods and services. I wonder what the effect will be on New Zealand manufacturers competing with imported non ETS taxed goods. Will we see another wave of them leaving in favour of production overseas as to avoid this parasitic tax? Figures I have seen in regards to farming with the ETS are horrific - as much as 10 percent of your income could be siphoned off to fund the Scheme. Because there is so much 'secret squirrel' about the whole scheme I cannot find any concrete figures to work with, so really no one yet knows what the true cost will be. This is really helpful when trying to budget where you might be in two or five year's time!

The National Animal Identification and Tracing scheme (NAIT) is another extra cost that is about to be forced upon farmers,

for some greater good apparently. While I have no problem with diving into useful technology, we are getting a bum steer on this one. While the rest of the world is moving fast to high frequency technology, we are being told our scheme is low frequency, so will it be a dinosaur before it even starts? What cost farmers around \$200 last year in calf tags, appears to have gone up by \$300, if compliance with the new rules is to be attained come October 2011. That is before retagging the herd and linking to some new unknown database. All to appease about five percent of consumers somewhere overseas, that filled out a supermarket survey and thought it might be nice to know where the cow lived that produced the milk, cheese, beef or steak they bought. Every time I travel, I make a point of asking someone the in supermarkets why they buy what they buy and traceability has NEVER been the answer. Price and value for money are the most common replies, then taste; consistency and colour seem to be the next favourites. Food safety never even rears



its head; it seems to be just assumed it is safe, as the supermarket has already made sure of that somehow. Perhaps filling out a survey with questions posed in a certain way gives a different result than 'off the cuff' answers. I can only hope that the sales pitch (about New Zealand 'needing' this or else farming will be crushed overnight by consumer backlash for not having it) is right and therefore it won't be another waste of money. I can't help but think that the world has bigger problems to worry about than a tag in the ear of a New Zealand animal.

The 1080 debate is raging on and there looks to be no end in sight yet. It has completely polarised people and it looks like facts and science seem to have no place in this debate. Unfortunately this is being driven by emotion.



The human health aspect of contracting, dealing with and living with Tb, is forgotten and this is, after all, why we have a National Pest Management Strategy. I have known people who have had Tb in my lifetime (and I am not that old!) and it is the fastest growing human disease in Europe's eastern block countries. It is one of those things like polio and tetanus where people forget the horror of the disease, as it is no longer a common disease in our society. That doesn't mean it can't come back in the future and it could be difficult to deal with if it does; there is currently only one antibiotic that is effective against it and no new antibiotic family has been created for at least 20 years.

On a slightly brighter note, dairy farmers are hoping all payout predictions will become a reality next year. There is a long way to go to see them come to fruition, as the new season hasn't even started yet. Great thing to look forward to, but I won't be holding my breath! Here's hoping we have cracker production this season and that payout goes up and the costs don't.

**Katie Milne -
Federated Farmers
West Coast
provincial president**



A year of turmoil

It feels a bit of an understatement to say that the year has been one of turmoil. New Zealand and the West Coast seem to have dodged the worst fiscal effects of the recession after accepting the payout claw back. The mental affects have been real and the reactions to them huge, with an opening payout prediction of \$4.50kg/Milk-Solids, that saw farmers cut back on fertiliser and staff costs and saw banks taking a short-term view of farming's future. Add to that the cold wet spring on some parts of the Coast and you've got a tough start to the season.

From this dismal start, the payout forecasts are now looking to be the second highest on record, with next season looking to be just as good. Production is up on last year and banks are now talking about being friends with farmers again, even if the relationship may not be as trusting as it was.

Federated Farmers West Coast has been kept busy supporting farmers dealing with issues of cash flow, labour and communication with Westland Milk Products, over the past twelve months. In addition to the personal on farm issues, there have been major industry issues that have happened this year.

From local Councils

Buller District Council is rewriting its stock crossing and driving bylaw in response to strong campaigning from local members. Thanks to Peter Langford and his team for this effort.

Federated Farmers is actively working with all the district councils and regional council around Tb control and has managed to foster strong relationships with three councils and we thank them for their ongoing support. A particular note of thanks must go to Katie

and local members for a strong lobbying and turnout to the Grey District Council who have decided to maintain their Tb control policy.

We're also working with the West Coast Regional Council to try and get a workable wetlands management policy through the environment court against the Department of Conservation (Doc) and a local lobby group.

In our ongoing work, we're trying to have a workable management plan for Lake Brunner where the council is suggesting a limit of Olsen P of 30 and limiting phosphate to Reactive Phosphate Rock (RPR), as well as potentially aiming for all stock to be wintered out of the catchment.

Individual farmers have been working through the issues surrounding Significant Natural Areas (SNA) with their local councils and the implications for land use that SNAs can pose.

This year has also seen the largest fine for discharging effluent on a West Coast farm handed down in the Environmental Court. This case highlights to farmers that they have to comply with the rules and regulations and ensure that they are enforced on farm. The number of prosecutions is on the rise and this is a good time for farmers to work with the Councils, Westland Milk Products and other interested bodies to monitor and improve farming on the Coast.

From our industry bodies

Meat & Wool's levy vote provided the opportunity to question the organisation on the value that dairy farmers received from their input into Meat & Wool (now called Beef + Lamb). We have struggled to see the value that dairy farmers have and will receive from their investment nor have we had a constant

value put on the size of dairy farmer's investment.

Proposed changes to the Tb Strategy and consultation process have taken place, the Coast is an area that this can have a major impact on.

From central government

The Emissions Trading Scheme (ETS), the dreaded system that no one can understand or budget a cost for and from which other governments appear to be withdrawing as fast as they can. At least share-brokers look to make money out of it.

As always for dairy farmers we focus on the weather and the dairy co-operative. At the start of the year I vocally criticised the performance of whole milkpowder (WMP), since then there have been major changes in performance and the direction in the co-operative. In my opinion they have gone from zero to hero. Both Katie and I have had regular meetings with directors and senior management, it is promising to note that we generally leave these meetings positive about the future of the company. However, it's not perfect; we still think that there is a place for better communication and more innovative communication than there is at present. At the end of these meetings we are always left with one clear message, that for the sake of the co-operative, we as farmers need to improve our environmental results from good to great.

I have enjoyed my time serving Federated Farmers this year and am positive for the year ahead.

**Richard Reynolds - Federated Farmers
West Coast Dairy chairperson
Report to AGM, 3 May 2010**

Wetlands under fire

The protection of the West Coast's wetlands has been a central issue in the Environment Court over the past six months. Forest & Bird, the Department of Conservation and Friends of Shearer Swamp have been arguing that the provisions proposed by the West Coast Regional Council don't provide enough protection for the wetlands.

Council provided a schedule of 22 wetlands which they considered to be regionally significant, but did not include any of the wetlands that are located within public land, on the basis that they are already protected by the Conservation Act.

Federated Farmers felt that the rules around these wetlands were sufficient and didn't unreasonably affect existing farming activities. Environment Court appeals were made on the grounds that the plan didn't adequately fulfil the Council's obligations under section 6 of the Resource Management Act (RMA). The Department of Conservation (Doc) asked

for a large number of wetlands located within public land to be included in the provisions of the plan.

In order to ensure that the Environment Court process did not result in private landowners finding themselves with large areas of land that they could not develop or utilise, Federated Farmers chose to support council in the debate.

After five days of Court assisted mediation it became apparent that the party's views were so different that no agreement could be reached. Federated Farmers strongly believes that for the sake of certainty, the areas where rules apply need to be mapped and set out in a schedule in the plan.

At the end of 2009, the Environment Court sat for a week in Greymouth, at the time a lot discussion focused on the ecological criteria that should be used to determine which wetlands are significant on the West Coast.



With seven ecologists trying to agree on how to determine this, it is little wonder that after three days, we felt no closer to a decision than before we started.

Now after three days in the Environment Court we're getting closer to a decision as to how many wetlands should be protected and to what level. Although it's close to 200 wetlands at the moment, Federated Farmers is fighting alongside Regional Council to ensure that landowner's rights to manage their own land are protected. This is certainly one fire we are trying to douse with good old fashion common sense.

**Anna MacKenzie -
Federated Farmers, senior policy advisor**

Past season stated with a cold long winter

SEASON - The scene for the past season was set back in May 2009. It was much colder than normal, making it a long winter followed by a rather average season. In my own experience and from what I've heard from other farmers, stock slaughter weights have been below average this season. While returns for beef and sheep meats in the market place have been excellent, the high exchange rates resulted in rather average returns to farmers for beef and lamb is down 10 to 20 percent on last year's highs. The present beef schedule is on a par with twenty years ago but our input and living costs have increased considerably in recent years.

COUNCIL MEETING - Federated Farmers Meat & Fibre had a very successful two day Council meeting in Methven in November 2009. The first day, which was advertised as an open meeting, saw good attendance of Council members and others. The day two lunches were provided by Five Star Beef Lot, after a bus tour through the feedlot. Graham Harrison and his staff made us feel very welcome and went to considerable effort to explain their operation and philosophies.



EMISSIONS TRADING SCHEME (ETS) - The ETS will do very little to reduce global warming. It is being pushed hardest by those who stand to clip the ticket. Politicians, bankers, advisors and brokers have much to gain if managed to their liking. New Zealand can ill afford to shackle those who produce our overseas exchange earnings. If we do, New Zealand as a whole will suffer. Why should we try to lead the world where others are not likely to follow? It is absolute folly!

TB CONTROL - It is promising to see that the incidence of Tb movement control in West Coast herds has got as low as 33 in the last month, down from 44 in February this year. It would not be surprising to see a rise over the next few months because of the higher rates of testing and culls going to the works at this time of year. At its peak the number of cattle and deer herds on Tb movement control was over 200 for the West Coast. Presently the national figure is just below 100. The West Coast has the highest rate of Tb infected herds of any region in the country.

Why is it that indoctrination by the anti-1080 protagonists are giving such a negative perception of 1080, compared to the views held by those who have lived with the use of 1080 for up to 50 years? Why not ban anything that has wheels on it, because the carnage caused by such devices considerably exceeds the negatives caused by 1080. Like any other tool, 1080 will be unforgiving if used inappropriately. However, cattle and deer farmers who have had 1080 used on our properties and adjoining country are only too thankful that its use has resulted in a much reduced - if not eliminated - incidence of Tb.

It is without a shadow of doubt that we are reliant on aerial 1080 to keep down, reduce and eliminate Tb on the West Coast. It's been demonstrated time and time again that aerial operations reduce, if not eliminate the progression of Tb vectors from the rugged bush clad hinterlands onto the farmed areas for a number of years, depending on the size of the buffer and how well the operation is carried out. Recent operations have included pre-feeds and the monitoring indicates much more consistent and reliable results. It needs to be noted that the cost of aerial operations is significantly less than ground control and also gives a much longer period of protection.

Top marks go the Animal Health Board (AHB) vector control staff and the contractors who continue to battle not only with the West Coast environment but also the anti press that they are up against.

TB STRATEGY - It is disappointing that the proposed Tb strategy will put the West Coast and some other regions into a holding situation, while proof of the concept to eradicate Tb from deep bush areas is established. I have no doubt that with a 10 to 15 percent increase in Tb control funding, considerable further progress can be made in the eradication of Tb. It is irresponsible on the part of those who hold the purse strings to put the brakes on at this stage, when we could be clawing back more rapidly at the areas that contain Tb vectors. A lot of good work has been done that needs to be followed up and extended in order to make reasonable progress in increasing the Tb free areas. No doubt the West Coast will probably be one of, if not the last bastion of bovine Tb. But instead of treading water, we need to be a part of making meaningful progress. Farmers in 20 years time will rightfully be more than critical if, as a result of us not addressing this issue in a business like manner, they are still battling Tb over much of New Zealand. It is achievable and we should go for it.

**Kees van Beek - Federated Farmers Meat & Fibre chairperson and core member
TB Free committee
Report to AGM, 3 May 2010**

Lake Brunner dairy farmers under threat

In an effort to save the future of dairy farming in the Lake Brunner catchment, Federated Farmers extensively consulted with the West Coast Regional Council. In order to reduce the perceived water quality decline of the Lake, Council drafted a set of provisions to be applied in the Lake Brunner catchment. The draft included rules which looked at restricting which type of phosphorus fertiliser could be used on dairy farms, rules relating to stock crossing through waterways and to effluent systems.



On reading the draft Federated Farmers noticed immediate problems with the rules restricting the use of certain fertilisers as it would limit farmers to using RPR fertilisers. Farmers have mixed feelings about the effectiveness of RPR as a product and therefore, some believed the right to choose how best to manage the productivity on their own farms was being taken out of their hands.

Federated Farmers, in conjunction with Westland Milk and a number of fertiliser companies are trying to help the Council understand the difficulties with restricting the use of fertiliser in one part of the region. This could see an isolated area within the region created, in which heavy restrictions would apply and as a result, negatively affecting the value of that land. Coined a farming 'ghetto', farmers have the right to be concerned that restrictions on the freedom of choice imposed by the Regional Council may affect their property values and farming practices.

Although Lake Brunner farmers are feeling a bit like a threatened species, there is no doubt that we don't want to see the water quality of such an iconic lake decline. How we go about that needs to be subject to robust assessment, to ensure a solution is found which does not impact on the viability of farming in the catchment, but also delivers tangible results to ensure the best outcome for all.

**Anna MacKenzie -
Federated Farmers, senior policy advisor**

Agricultural ITO update

During the 2009/10 year I had the good fortune of being voted onto the Agriculture ITO national board, by the regional chairperson's forum. I have learnt a lot more about the workings of the business and can advise the Board has a great mix of personnel to network with. Having trips every two months to Wellington has fitted in well and I am thoroughly enjoying this larger governance role. Raelyn Lourie has been confirmed as the Westland Milk Products director liaison on our regional committee, Raelyn has strong ties with Agriculture ITO from the North Island. Her new ideas and input are welcomed.

The field staff management structure changed in August 2009, this saw the introduction of hubs and as a result we have a new geographically located hub office for most field staff. The West Coast has been combined with Nelson/Marlborough, but because of the extensive land area this covers, it operates as a "virtual" hub without a central office. The new Territory Manager is Kathleen Perry from Canterbury, who replaces Andrew Shepherd.

In May 2009 we held an AgriAwards dinner in Shantytown, this was attended by Tony Wilding, the outgoing Chairman of Agriculture ITO national board at the time. There were 60 trainees and farmer trainers at the evening. The two big winners on the night were Rachael Heberley who won the 2009 Waikato/West Coast exchange programme and Sara Edwards who was awarded 2009 West Coast Trainee of the year.

On 8 July 2009, we held our trainee skills day at John and Joanne Milne's property

in Westport. I would like to warmly thank Hayden Kendrick for taking a leadership role in organising this event. Hayden took on this role after we held a planning meeting at John's house; this was also attended by Mark van Beek and Kathryn Zwart. On the day we had 11 modules and I'd like to thank those who ran these: Hayden Kendrick, John Milne, Roger Brookes, Marg Milne, Raelyn Lourie, Wendy Fisher, Gordon Storer, Belinda Fentiman (Livestock Improvement Corporation), Colin van der Geest and Gavin Schist (West Coast Regional Council).

The overall winner of the competition was Rachael Heberley, 2 points clear of Frano Volckman, who came in a close second. Vanessa Roberts, Rochelle Roberts and Jordan Cudmore came in third, fourth and fifth. All were given a \$70 membership for Young Farmers Club so they could attend club events and enter the Young Farmer contest held at Reefton in January.

This year, the Bound to Succeed programme has been replaced by Farming to Succeed in both the South and North Island, with 25 places in each. FIL sees this as a bigger benefit to the industry. Because of the personal development value that the programme offers both have been over-subscribed. This year our selection is Kenton Sinclair-Donnelly from Ikamatua.

A field day was run recently at Mark and Debbie van Beek's property at Arahura, this proved very popular with trainees travelling from as far away as Karamea and Hari Hari. It is a great learning day and I'd like to thank Mark, Debbie and Hayden for their valuable involvement with this event.

The Dairy Industry Awards were held in Shantytown on the 22nd March with six of our trainees entered for Dairy Trainee of the Year. Sony Austin, Anton Donaldson, Phillip Johansen-Smith, Samuel Mukundu, Rochelle Roberts and Kenton Sinclair-Donnelly were our West Coast contenders. The ultimate winner was Andrea Harvey, a trainee from Rai Valley. The top Farm Manager of the Year, Maria Carlson is an Agriculture ITO level 4 trainee from Havelock. The Sharemilker of the Year title was awarded to Chris and Donna Murphy of Murchison. Well done all!

I would also like to thank our hard working field staff, training advisers Roger Brookes and Wendy Fisher, along with Tracey Bean who runs the virtual hub office. Thanks also to the Christchurch field support office staff for assisting with mail-outs, newsletters, rural communities support and minute taking.

On behalf of the regional committee, I would like to warmly thank Tai Poutini for being a great provider again this year and Ross Bishop, their experienced farming tutor. A very special thank you goes to Pat Russell, Tai Poutini Reefton campus manager, for going the extra mile not only through supporting and helping our trainees, but also for facilitating our RC meetings through organising the venue and the food. We understand Pat may be stepping down from this role, so many thanks for all your help over the years, it is really appreciated.

**Peter Langford - Chairman, Agriculture ITO
Report to AGM. 3 May 2010**

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