

Marlborough AGM Round Up

Thanks to those members who attended our recent AGM.

There were some hard hitting reports and presentations from, among others, the FFNZ National President, Charlie Pedersen, and our keynote speaker, Kel Sanderson, Business and Economic Research Ltd (BERL).

Kel gave some good advice as to what we should be asking our politicians in election year. His main point was that the Government's monetary policy of the last twenty years has resulted in low inflation at the cost of a sound financial system, stable prices, consumer prices, interest rates, exchange rates, asset prices and sustainable investment productivity. All these factors combined have had a devastating impact on farming.



**Geoff Evans -
Marlborough President**

NEXT MEETING

The next Marlborough Provincial Executive Meeting will be held

Friday, 6 June 2008

1:30pm

**CRT, Redwood Street,
Blenheim**

THANK YOU

A big thank you to those office holders who have continued to support my presidency and the Marlborough Executive and members.

My special thanks to Phillip Neal, who has stood down as Junior Vice-President, due to family circumstances.

Thanks also to Dairy chairman, Bruce Richmond, who stepped in as Junior Vice-President in Phillip's place, while still representing the dairying members. Gary Barnett continues as Treasurer, along with Chris Bowron (RHAC) and Michael Cambridge (Forestry).

We need these committed and supportive members to help build an effective team to represent Marlborough. Remember - there is no I in team.



Our team building weekend with Golden Bay and Nelson provinces.

Executive Elections

Due to some delegate's unavailability the province is now without both a Senior Vice-President and a Meat and Fibre Chairman. The incumbents were unable to stand for office due to their non-financial membership status.

These vacancies need to be filled at our next meeting on Friday 06 June 2008. Under the FFNZ constitution (as advised by Meat and Fibre National Chairman, Keith Kelly), the provincial president has the facility to appoint members, with their agreement, to these positions.

For this reason I am now calling for expressions of interest in these vacancies as the national conference will be held mid-June, and we need committed representation at the Meat and Fibre conference. This is an opportunity for young farmers to join the team and experience leadership courses and other opportunities.

We need your input not just your subscription. This is election year, let farming be heard.

DROUGHT SHOUT

PGG Wrightson is co-ordinating a Drought Shout.

Tuesday, 3 June 2008

Meadowbank Station, Taylor Pass Road

(In conjunction with the NZ National Dog Trials)

This will be advertised in the Marlborough Express. Sponsors included Tui Breweries and local rural based businesses. Buses will be travelling from various points around Marlborough to and from the venue.

All Farmers Welcome

Extract from Marlborough Federated Farmers President's Annual Report 2008

Financially it has been extremely difficult year to make a profit. It has been especially tough for meat and wool farmers. Two recent reports, one from MAF and the other from Meat & Wool NZ have highlighted just how hard things are. With an exchange rate of \$NZ80 cents against the \$US, our farm profit before tax in real terms is at its worst ever in the last 50 years.

Dairy farming in Marlborough has done better which is pleasing to see, despite the dry weather and other contributing factors affecting some of the planned returns.

Congratulations to Geoff Millar for winning the Marlborough award for Environmental Achievement. It was exciting to see that this year it went to a dairy farmer.

On the Policy Front

Marlborough Federated Farmers has tried to make a difference. Here is a small selection of our work over the past year:

Nationally we have submitted on the following issues

1. The proposed new fire legislation
2. Meat & Wool NZ on the state of meat and wool farming
3. The Government's Inquiry into Rating (the result of which was very disappointing)
4. The Inquiry into Monetary Policy to Parliament's Finance and Expenditure Committee on monetary policy.
5. A presentation to the Local Government Forum on the impact of the RMA on farmers, which was heard by a large group of mayors, councillors and staff from Top of the South Councils.
6. We briefed the Parliamentary Primary Production Select committee on the appalling state of meat and wool returns.
7. Pat O'Sullivan, with assistance from Peter McPartlin and myself, has contributed to WAG, The Wool Advancement Group, which has the profitability of wool growing as its main driver.
8. We also supported some FFNZ initiatives and submissions.

Locally we have

1. Engaged with meat companies to look at issues such as procuring and lamb prices. We have spoken to both co-operatives about their inability to process adult stock.
2. Worked hard to maintain a good working relationship with the Marlborough District Council, in particular working with them

on the Regional Policy Statement and Wairau Awatere Resource Management Plan.

3. Attended meetings on subjects including new Animal Health Board programmes and power reticulation.
4. The result of our Variation 38 submission has been most pleasing, as Council listened to our concerns and are revisiting these proposals in the Regional Policy Statement. It was good to be able to work with other community groups to achieve satisfactory results.
5. Brian Powell and Alex McIntyre submitted to Transit 2009 land transport plan in Nelson with our concerns on local roading.
6. Brian is also on the Rural Trust who is trying to assist rural people in difficulty. We now have a drought committee in place comprising of the Trust, Mayor's office and Federated Farmers Marlborough.
7. Moved our meeting venue into the new CRT building on Redwood St. We were able to negotiate a sponsorship deal with CRT so we can continue to have free use of their meeting room. We thank CRT for their continued support in this way.
8. We supported North Canterbury Federated Farmers to get changes made to the hostile differential rating found in Kaikoura.
9. We also had a presence at the A&P show which we shared with Young Farmers in their venue.

The Policy office in Nelson has been closed and Marlborough is now to be serviced from Christchurch by Sonia Voldseth, Senior Policy Advisor.

Finance/ Membership

As many members are aware, there has been tension between Marlborough province and the FFNZ national office. Like most tension, it involved money. It is my pleasure to announce that the Provincial Fund committee, chaired by Bruce McNab, has assisted with a payment of \$4000 to Marlborough to cover some of the outstanding deficit, which was in part created by last year's legal bills. We thank FFNZ for this contribution.

There is an on-going problem in keeping the province afloat financially and we are revisiting existing honoraria to ensure that this province does not run at a loss. Last year, we made requests that capitation be increased at the two national conferences –

so far without success. Marlborough receives \$30 per membership subscription and we do also have some savings from which interest contributes to our budget. Membership has declined somewhat and to arrest this trend Marlborough urgently needs a recruitment contractor to seek new members.

Under the current FFNZ financial policy, Marlborough will need an increase in capitation, more members or we will have to severely curtail the activities we undertake on behalf of our members. I believe a strong province is essential for individual members to be able to be heard at both local and national levels. It is our job to represent your concerns and take them to the policy and decision makers.

The FFNZ National Board gives the impression that all activity, decisions financial and political, should be channelled through them. Do we really want the continuation of a strong provincial system? It is the members who make an organisation successful.

Where Do We Go Next?

The single biggest issue facing meat and wool farmers is the lack of returns. Here in Marlborough we are accustomed to drought conditions and we are ready and able to deal with adverse conditions so long as we have some money coming in and support from infrastructure such as meat works.

I believe one of the major constraints on farm incomes is the volatile overvalued exchange rate, driven by the highest interest rates in the developed world. The view that the Exchange rate is overvalued is supported by most economists, Meat & Wool, MAF, Reserve Bank Governor, Alan Bollard, and Finance Minister Cullen himself.

The high interest / exchange rate policies of the past two decades have ensured the decline of sheep numbers down from a high of 70.3 million to 38.6m in 2007. This is despite a near doubling in productivity as our meat output has remained at similar levels. This productivity outstrips by far any other sector and yet sheep and wool farming is in crisis.

What is happening to our meat and wool farmers is totally unjust. Farmers need more of the resources they earn to enable growth, productivity, and the survival of the industry that built New Zealand.

Geoff Evans
Marlborough Provincial President