

*A weekly  
summary of  
all that's news  
in the  
primary  
industries*

# AgBRIEF

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Issue 22-47

## AGRIBUSINESS

### Fonterra/Nestlé Aim For Carbon Zero

Fonterra is partnering with Nestlé to develop NZ's first commercially viable net zero carbon emissions dairy farm in Taranaki. The project will be based at a 290-hectare farm surrounding Fonterra's Whareroa site and be run with Dairy Trust Taranaki with the aim of cutting emissions 30% by mid-2027, and reaching net zero carbon emissions in 10 years. CEO Miles Hurrell said the collaboration with Nestlé will help accelerate progress towards their greenhouse gas emission goals, with both companies aiming for net zero emissions by 2050. Lessons learned from the demonstration farm will be shared through open days with farmers, who could then adopt the techniques and technologies most appropriate for their own farms, Hurrell said. The pilot would start with about 50 farms and be scaled up over the next three years. (Stuff)

### Small Win On ETS

The primary sector is chalking up a small victory after the Government agreed to amend the Emissions Trading Scheme to recognise more classes of carbon-sequestering vegetation. Prime Minister Jacinda Ardern said that from 2025, it will start the process of collating all "scientifically robust forms of sequestration", and introducing more classes of vegetation into the ETS. "We want a plan for reducing agricultural emissions we can all agree on. We've heard sequestration is a top priority for farmers and critical to making He Waka Eke Noa work," Ardern said. Climate Change Minister James Shaw said it means farmers will get full recognition for scientifically-proven sequestration on

their farms. "This should unlock a wave of research, science and innovation into forms of emissions removal that also enhance biodiversity and other important values that aren't always achieved through exotic forestry plantations. Bringing new categories into the ETS may take some time, so there will also be a need to ensure transitional arrangements from 2025." (Farmers Weekly)

### Govt Investing \$530m In Fibre Projects

The Government has announced a series of new investments through its SFF Futures fund in a move designed to kick-start sustainable and high-value wool and food and fibre. The Government is co-investing \$530 million in projects exploring a wide range of opportunities to diversify NZ's exports, capture value and progress the country's sustainability credentials. Agriculture Minister Damian O'Connor said that in early 2020, the Government worked with Venture Taranaki to identify food and fibre opportunities in the region during phase one of the agency's Branching Out project. Now the Government will invest \$975,000 into phase two of the project through SFF Futures alongside industry support worth \$1.2m. "This will see high-value commercial ventures in hemp fibre, medicinal ingredients, indigenous ingredients, hops, gin botanicals, and high-value food crops get off the ground." (Rural News)

### New Loan With Maori Inc

The BNZ and Atihau-Whanganui Incorporation have announced a new agribusiness Sustainability Linked

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Loan, covering not only traditional environmental targets, but also including social and cultural targets for the first time. AWHI is a leading Maori agribusiness with over 9000 shareholders producing lamb, beef, milk and wool across 21,000 hectares of ancestral land. BNZ's Renata Blair said to help them achieve their goals, AWHI will receive further interest rate discounts as more uri enter and complete their cadetships, paving the way for social sustainability into the future. AWHI will also receive interest rate incentives for reducing greenhouse gas emissions by up to 6% across the term of the loan and completing additional waterway protection and biodiversity enhancements beyond compliance and regulatory requirements. (The Country)

### **Manuka Bioscience Looking for \$5m**

Manuka Bioscience is hoping to raise \$5 million to fund the research and development of its manuka oil products. Co-founder Stuart Cairns said it started out in 2016 producing honey, before realising that with manuka oil it had room to scale-up globally. Manuka oil is a therapeutic and cosmetic ingredient that is 1000 times more effective than manuka honey and 20-30 times more effective than tea tree oil against gram-positive bacteria. The company produces 10t of manuka oil a year and Cairns is hoping it has the potential to follow tea tree oil's example. The company has a pipeline of botanical medicines undergoing clinical and consumer studies. The company is now spending between \$750,000 and \$1m a year on research. (Farmers Weekly)

### **Reset Opportunity For Zespri**

The coming kiwifruit season will provide a reset opportunity for Zespri as it strives to lift crop quality and restore a bruised reputation after last season's problems. CEO Dan Mathieson said the company is pulling out all stops to revisit its entire supply chain to eliminate the risk of another season where quality issues compelled it to pull \$3.36 a tray off SunGold kiwifruit's value and \$2.10 a tray off Green's value. All up, growers have borne the cost of poor-quality fruit downgrades to the tune of almost \$500 million, well up on typical levels of \$120m-\$150m. "We know we incentivised growers for early-harvested, long-stored fruit. We are looking at how do we promote better behaviour at harvest – if the fruit being picked is damaged, it doesn't matter what happens after that, the damage is done." (Farmers Weekly)

### **MVM Going Electric**

Mataura Valley Milk has embarked on a major project to fully electrify its plant with 100% renewable energy by November next year. CEO Bernard May says Project Recharge will be a huge milestone for the industry, making MVM the first dairy company of its size to make the transition, possibly in the world. Central to the project is the installation of a modern high-pressure electrode boiler capable of producing steam at up to 40 bar pressure to supply heat to spray driers and other processes. It will replace a very modern coal boiler installed when the plant was built only a little over six years ago. But May says the coal boiler typically burns about 30 tonnes of lignite a day through the season, so the project will allow MVM to eliminate 22,000 tonnes of CO2 emissions annually. The technology did not exist six years ago. Machinery such as forklifts are already 100% electric. (Rural News)

### **Good Primary Forecast**

Despite a globally volatile trade environment and continuing supply line disruptions, NZ's primary sector is forecast to continue on its strong growth trajectory – but cost pressures are also surging. The latest SOPI report forecasts 4% year-on-year growth in the sector's exports to achieve a record \$55 billion by year end June. The forecast comes in almost \$3b ahead of expectations, with relatively strong growth across almost all key primary sectors. Dairy continues to do the bulk of the heavy lifting for the growth figures, with estimates of a 6% lift in export revenues to a new high of \$23.3b. Horticultural gains are estimated at 5% to \$7.1b, arable up 5% to \$265 million, and meat and wool is expected to experience a more muted 1% lift to \$12.4b. Forestry is expected to gain less than 1%, to \$6.6b of earnings. The continuing gains amount to an increase of \$12b in earnings over the past five years for the primary sector, or an average per annum growth rate of 5.5%. Farm expenses across all costs lifted 15%, with fuel surging 53%, fertiliser 37% and interest rates 34%. He also noted that while world food prices are coming back from their peak, they are not back to where they were prior to their surge. The biggest winner from shifting climatic conditions was wine, with a warmer-than-average summer delivering a record vintage and exports soaring 27% to \$2.5b in value in the horticultural sector. (Farmers Weekly)

### **Brandt Buying Agrowquip**

The Brandt Group of Companies has reached an agreement to acquire the assets of Agrowquip NZ. The acquisition combines the strong local presence of Agrowquip with Brandt's existing locations across the North Island to create a network of John Deere dealer locations that runs from Cape Reinga to Wellington. The agreement is subject to due diligence and customary closing conditions and is expected to close on January 30th, 2023. (Friday Offcuts)

### **Govt Backing Cashmere**

The Government is backing NZ Cashmere GP Limited to succeed in its vision to develop a new high-value, sustainable, and innovative cashmere industry for NZ's agricultural and textile sectors. SFF Futures is investing \$900,000 and sector partners are contributing \$1.34m. Six new farms are already signed up to integrate cashmere-producing goats into their existing farming operations, and will join 19 others in the programme. (Rural News)

### **Food & Fibre Election Battleground**

The food and fibre sector will become a General Election 2023 campaign battleground given the existing tensions, particularly around climate change, according to KPMG's global head of agribusiness, Ian Proudfoot. He says this risks entrenching divisions among farmers and growers and between rural and urban. Food and fibre companies will have to adapt quickly to the effects of sustained recession on consumers' purchasing. Investments to support long-term growth and prosperity will be different from the yield and quality enhancements of the past. (Farmers Weekly)



## Brakenridge Signs Off After 27 Years

John Brakenridge will step down as The Merino Company's CEO at the end of the year after 27 years, and is looking forward to taking a step back and reflecting on his achievements. The company he co-founded connects wool growers with buyers and helps tell the story of the NZ industry to markets around the world. Brakenridge said the industry had completely transformed over the last 30 years. "The biggest change has been how we moved to contracts versus auction, how we've shifted from commodity into longer-term transactions that, for the likes of Icebreaker, go out 10 years. It's a game changer for growers. It's a new way of doing business and if we think about the counterfactual, the fine industry was very much like the strong wool industry. We'd been attacked by synthetics and polyester garments and all of those sorts of things so if we hadn't made the change I'd hate to think of what the state of the industry would be like now." When The NZ Merino Company began, the market for merino active and outdoor wear didn't exist. "Now it's worth millions of dollars; it's only going to get bigger." (RNZ News)

## Sir Allan Wright Dies

Sir Allan Wright KBE, a distinguished farming leader and businessman from central Canterbury, has died aged 93. He was president of Federated Farmers from 1977 to 1981, and served as the first chancellor of Lincoln University. He started farming a mixed arable farm near Sheffield in 1946 after attending Christ's College. In 1949, he joined the Sheffield Young Farmers' Club and served as the national president of Young Farmers' Clubs in 1958. Wright held many governance roles in business and sports. He was a director of companies including Southpower, Alliance Textiles, NZ Rail, the Rural Bank, and FMG Insurance. (Stuff)

## McIntyre To Chair Dairy Awards

Richard McIntyre is the new chair of NZ Dairy Industry Awards Trustees. The Horowhenua dairy farmer replaces Natasha Tere, whose term ends in March 2023. He has been involved with the NZ dairy awards since winning the 2013 Manawatu Share Milker/Equity Farmer category and has been a Trustee since 2017. McIntyre was elected chair of Federated Farmers dairy group this year and is a Federated Farmers board member. (Rural News)

## Watters Begins At Fonterra

New Fonterra director Alison Watters is looking forward to helping extract the best performance from the co-operative. Watters replaces Edgcombe farmer Donna Smit who retired after serving for six years. Watters is co-owner of a 510-cow dairy farm in the Wairarapa – she and her husband Andrew won the NZ Sharemilker of the Year title in 2003. She currently serves as a director of LIC and MetService. Last month she stepped down as chair of AsureQuality. (Rural News)

## Paul CEO Of GFF

Wendy Paul is the new CEO of specialised training provider Growing Future Farmers. Paul, who was Director Culture and Wellbeing at Fonterra, will lead

### AVERAGE EXPORT MEAT SCHEDULE PRICES

This week, ending December 9, 2022 (last week's in brackets)

LAMB(\$/hd)	North Is.	South Is.
15.0kg YM	123.00 (126.75)	122.25 (126.00)
17.5kg YX	139.40 (143.65)	138.55 (142.80)
19.0kg YX	155.80 (160.55)	154.85 (159.60)
21.0kg YX	172.20 (177.45)	171.15 (176.40)
MUTTON (\$/hd)		
25kg MX2	115.00 (121.25)	112.50 (121.25)
BEEF (\$/kg)		
P2 Steer	6.30 (6.45)	6.10 (6.20)
M2 Bull	6.10 (6.20)	5.85 (5.90)
VENISON (\$/kg)		
AP Stag 60kg	8.90 (8.90)	9.00 (8.95)

Prices are gross operating prices, and are exclusive of levies.

### AVERAGE EXPORT DAIRY PRODUCT PRICES

	Last week, ending December 2, 2022	4 weeks ago	3 months ago
Fonterra predicted payout			
\$/kg Milksolids	8.00	8.00	8.00
<b>Butter (NZ\$/Tonne)</b>	7750	8220	8560
<b>Skim milk Powder</b>	4940	5000	5810
<b>Wholemilk Powder</b>	5430	5560	5550
<b>Cheddar</b>	8040	8640	8560
<b>Casein</b>	20590	23000	22730

Prices above are indicative only. They are compiled from an assessment of sales made worldwide on a one-off basis in US\$. Quota market sales and contracts are excluded. The prices have been converted to NZ\$/tonne FOB at current exchange rates.

### MAIN O/S MARKETS, CURRENCY, INTEREST RATES, WOOL & WHEAT

	Last week, ending December 2, 2022	4 weeks ago	3 months ago
UK CKT Lamb Leg (£/kg)	4.75	5.10	6.10
US Bull Beef (US\$/lb)	2.30	2.37	2.67
US Dollar (for NZ\$1)	0.626	0.594	0.611
Aust Dollar (for NZ\$1)	0.929	0.915	0.893
UK Pound (for NZ\$1)	0.518	0.517	0.525
Euro (for NZ\$1)	0.601	0.591	0.612
INTEREST			
90 Day Bill Rate (%)	4.43	4.13	3.48
2 Year Swap Rate (%)	5.00	4.95	4.31
5 Year Swap Rate (%)	4.41	4.58	4.17
NEW ZEALAND WOOL PRICES			
WOOL PRO Wool Prices			
Fine (21 microns)	1066	1066	1066
Medium (29 microns)	425	425	425
Coarse (35 microns)	260	260	275
2nd Shear(37 microns)	240	240	250
Lamb (30 micron)	240	240	240
W H E A T			
ASW NZ\$/tonne	550	593	567

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the GFF programme into its next phase of growth. A solid foundation of progress already exists within GFF. From the original 2020 pilot programme involving 10 students, the 2022 intake stands at 60, and in 2023, 80 students are expected to take up placements on 80 farms in 10 regions across the country. (Rural News)

### Gibson Communicator Of The Year

Farmers Weekly editor Bryan Gibson is the 36th winner of the Ravensdown Agricultural Communicator of the Year award. He is best known for his leadership at the helm of one of NZ's most trusted sources of information about agriculture. He has held the role of editor of Farmers Weekly since 2014. In this time, his reputation of steadfastly publishing 'without fear or favour' has brought a wide range of voices to the fore, covering serious, existential challenges in an increasingly polarised political landscape. (AgBrief Staff Report)

### Key On Oritain Board

Sir John Key has been appointed to the board of directors of Oritain Global. Since leaving politics, Key has been on the board of directors of Air NZ from 2017 to 2020, and is also the chairman of ANZ bank. (Stuff)

## TRADE

### Demand For Luxury Leather

An increasing number of luxury Italian leather products such as gloves, handbags and upholstery for Ferraris are starting their journey on NZ farms. The MIA said exports of cattle hides to Italy in October increased by 110% compared to the same month last year. Italians were also eating more NZ lamb - buying nearly \$4,500,000 of meat compared to virtually none at the same time last year. MIA's Sirma Karapeeva put the increase down to pent-up demand - with factories back up and running after Covid-19 lockdowns. She said there might be back-up orders, which would be a positive for farmers. (RNZ News)

### Export Receipts Battered

Falling world prices and a rising NZ dollar have battered returns for key export commodities to their lowest level in nearly two years. ANZ Bank's monthly CPI has fallen 3.9% in November on the previous month to be 11.5% lower on the same month a year earlier. The biggest drivers of the decline are 4.4% fall in dairy prices and 6.3% drop in meat prices. Tumbling lamb prices, down 9.5%, were the main influence on meat prices, which have had two large monthly falls. (RNZ News)

## LIVESTOCK

### More Cattle To China

The 176m Ocean Drover livestock carrier left Timaru for Tianjin, China, with more than 11,500 cattle onboard. MPI's Carolyn Guy said each and every animal was assessed for their condition and health. Animals

deemed unfit for travel were not loaded, as seen in the difference between the Animal Welfare Export Certificate (AWEC) application (11,759) and the actual number of cattle loaded (11,596). (Stuff)

### Fast-track On Methane

The Government has given \$4m funding to fast-track research into low methane sheep. Research had confirmed that some sheep produced less methane and could produce lambs that also produced less methane. BLNZ's Mark Aspin said the low methane credentials of rams used in sheep flocks will now be counted in on-farm greenhouse gas calculators, and the reductions captured in the country's national greenhouse gas inventory. The project will give farmers more access to low-methane rams to be bred within the next three years, Aspin said. (Stuff)

### Day-long Sales Trek Successful

On-farm sales have been approached with some apprehension this year due to the current market environment. But recent worthwhile rain helped and while it couldn't change the overseas demand, it went some way to building local confidence. Prices are still back on last year, but most sales exceeded expectations in what was a full week of on-farm sales as over 30,000 lambs changed ownership. The annual Glenmark Drive sale in North Canterbury is a full day of selling at seven properties. Hazlett's Ed Marfell said it was a good day in which "we saw annual line-ups and regular buyers from North Island down to Southland return. Obviously, the market was not as good as last year but given the current environment, everyone was pleased." Just over 9000 blackface mixed-sex and 5000 whiteface lambs sold over the seven properties, which includes Glenmark Farm, Manahune, HD Bethell, RedOak, Blue Gum Trading, Mount Cass and JJC Gardiner. Blackface mixed-sex lambs traded at \$65-\$176. Romney males returned \$61-\$166 and ewe lambs \$85-\$108. Blue Gum Trading offered Longdown cryptorchids which made \$79-\$127 and ewe lambs \$85-\$108, while at Mount Cass Wiltshire wethers were offered and sold for \$70-\$135 and the ewe lambs made \$65-\$82. (Farmers Weekly)

## HORTICULTURE

### EastPack Best Co-operative

EastPack has been named Co-operative of the Year at the 2022 Co-operative Business NZ Awards. The awards also saw former FMG chief executive Chris Black take home the award for Outstanding Contribution to Co-operatives. Zespri and NZ Blackcurrants Co-operative were also recognised with Enduring Service Awards. (Rural News)

### Vertical Farm Nears Operation

NZ's first large-scale vertical farm will start production at Hamilton this month. It will produce about 4000 bags of leafy green vegetables a day for customers throughout the upper North Island - in about half the time it would take to grow them outdoors. Greengrower has been bankrolled by a group of



investors with a background in agribusiness and technology businesses. CEO Tom Schuyt says they decided to create a vertical farming business in NZ after observing the challenges traditional growers are facing around supplying the domestic market. "We set up the business to try and counter-balance some of the challenges traditional growers face and work with them to be able to supply all year round and fill the supply gap that exists because of those challenges." The farm's nursery has begun growing greens with the aim of increasing production by mid-December and being in a steady production state by the end of the year. (Farmers Weekly)

### Climate Adaption Plan From Zespri

Zespri has released a climate change adaptation plan to help growers mitigate the effects of the warming climate. The plan includes more than 40 current and future actions Zespri and the wider industry will build on over time to future-proof the growing and breeding of kiwifruit, maintain fruit quality and manage supply, and protect the industry's financial future. Zespri's Carol Ward said it is critical the industry adapts to protect returns for growers. "Looking at aspects like efficient water use, investing in climate-resilient cultivars, developing a future-focused climate research programme, recognising climate impacts in industry planning, assessing the effects of climate change on productivity and profitability, and lessening our exposure to carbon costs by reducing emissions. We've also established a climate change strategy and continued to invest in innovation to explore new cultivars and in research to better understand how we can best mitigate the impact of climate change," Ward said. (RNZ News)

### Tough Year For Green Kiwifruit

Green kiwifruit growers are anticipating a particularly tough year with about half likely to either only break even or be in the red. "Our goal here is to try and get orchard gate returns up to a consistent \$7/tray," said Zespri CEO Dan Mathieson. There are four varieties being trialled with the possibility that a new one, offering a sweeter taste, will go commercial in 2027. Meantime the US is showing growing promise with SunGold kiwifruit, the fastest growing fruit item across the country's fruit category for the past three years, and now totalling about 8 million trays. (Farmers Weekly)

### Kiwifruit Vines Vandalised

Police are investigating an incident in which 150 gold kiwifruit vines were cut at an orchard in Te Teko. Rural liaison officer, Constable Wayne Lawrence, said the damage caused to the vines had set the vines back three years before they were able to be harvested again. The financial cost through loss of income and ongoing cost to repair the vines is also extremely high, to the point where the victim may never recoup what has been lost, Lawrence said. "Kiwifruit orchards are a large employer in the Te Teko area, so it also affects employment and investment in the community." (Rotorua Daily Post)

### High-tech Doing The Heavy Lifting

A hi-tech electric fruit bin that takes the heavy lifting out of fruit picking was among technologies featured at Fieldays aimed at easing the pressure of worker

shortages. Engineering lecturer at the University of Waikato, Nick Pickering, said students developed an electronic fruit bin on wheels after Zespri asked them to help find solutions for labour shortages in the kiwifruit sector. Pickering said that besides tackling worker fatigue, the e-Bin also opened up picking work to people who previously worked in non-labour roles, or older workers who did not have the strength for heavy lifting. Traditionally a kiwifruit picker would carry a bag they filled as they picked fruit, which could weight nearly 25kg before emptying it into a bin, Pickering said. Instead of pickers having to carry around a bag, a group of four pickers walk alongside the e-Bin. Fruit was dropped into a fruit catcher. A net cushioned and secured the fruit, before it rolled down and came to rest in the main bin, he said. Case IH's Pete McCann said a lack of labour was partly driving companies to develop better technologies. The biggest race in agricultural technology was that of unmanned farm equipment like autonomous tractors, McCann said. (Stuff)

## SOIL, WATER, LAND, ARABLE

### Wind Turbines Being Appealed

Some hapu of Ngaruahine are heading to the Appeal Court with Greenpeace to seek tighter controls on a plan to make hydrogen from wind-powered electricity in South Taranaki. Hiringa Energy wants to build four 206-metre tall wind turbines at Kapuni, powering a plant to make hydrogen which would be used as an ingredient to make urea at the adjacent Ballance fertiliser factory. Hiringa says it will shift to hydrogen use over five years to power heavy vehicles instead, replacing diesel with a carbon emission-free alternative. But the hapu and Greenpeace say there's nothing in the resource consent to stop Hiringa using the hydrogen to make nitrogen fertiliser for decades. (The Country)

### Small Islands Debate Climate Solutions

The Pacific Small Islands Developing States solutions forum is underway in Samoa. Samoan Prime Minister Fiame Naomi Mata'afa said agriculture and food security are top on the agenda – food shortages threaten small island states as they cope with challenges such as the climate crisis and political upheaval. The 2022 tsunami in Tonga, which nearly destroyed the entire economy of the country, is just one example of the devastating context of natural disasters confronted by Pacific Small Island Developing States. The Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Republic of the Marshall Islands, Nauru, Niue, Palau, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu and Vanuatu are challenged by their remoteness, high vulnerability to climate change-induced disasters, dependence on imported foods, and a high incidence of diet-related diseases. Fiame also said the Covid-19 pandemic exposed the Pacific Island nations' over-dependence on food imports. (RNZ News)

### A Native For Every Solution

Catlins sheep and beef farmer Barry Gray never planned to be a champion for the use of native plants





on farm, but he has been named the South Island recipient of the 2022 Landcare Trust Award for doing just that. Mr Gray's grandfather established Graylands Farms on about 70ha in Katea Valley, northeast of Owaka, in 1902. "He put his tent on the side of the road because it was all bush," Mr Gray said. When Mr Gray was a child, his parents bought a neighbouring block, increasing the farm size to nearly 250ha. He began planting natives on his farm when establishing his first shelter belt in the early 1990s. Species in the first shelterbelt included five-finger, hebe, kowhai, rata and ribbonwood. He also planted shrubs wanting a filtering effect on the wind, not creating a wind-dump elsewhere. He kept data on the nutritional value and mineral content of native plants for stock, such as crude protein and soluble carbohydrates, which he then used to help him select species to plant on his farm. During calving and shearing, he hand-fed stock native foliage from his shelterbelts. Native birds were a rare sight on Graylands Farms when he was a child; now they are common – he once counted 28 kereru perching in a mature kowhai tree near his farm house. (Otago Daily Times)

### Discontent Affecting Farm Sales

Widespread discontent in the rural sector has spilled over into the rural real estate market with a surge in farms being listed for sale. REINZ's Brian Peacocke said reports indicate a high number of farms on the market. "Just what is triggering this large surge of properties for sale is yet to play out," he said. REINZ's latest data for October showed farm sales were down by 97, or -35.9% for the three months ended October compared to the same period 12 months ago. Overall, there were 173 farm sales during those three months. In the year to October, 1501 farms were sold, 284 fewer than were sold in the year to October 2021, with dairy farm sales down 7.2%, dairy support blocks back 20.4%, 16.0% fewer grazing farms, 13.2% fewer finishing farms and the same number of arable farms sold over the same period. The median price per hectare for all farms sold over the three months to October 2022 was \$25,270 compared to \$31,360 recorded for the three months ended October 2021, a drop of -19.4%. (Farmers Weekly)

### Sheep Grazing Te Mata Peak

It's that time again; 2000 sheep have been let into Te Mata Park to help manage fire risks this summer. Park users are being asked to keep their dogs under control and put them on a lead if there's any chance they could worry sheep. The 2000 sheep belong to Te Mata grazier Bruno Chambers, a trustee of and neighbour to the park. (The Country)

### Native Nursery Trial

A trial nursery project for Waimakariri Irrigation Limited shareholders has resulted in over 1000 seedlings for Swannanoa farmers Brian and Rosemary Whyte. The nursery trial aims to enable WIL shareholders to grow their own native seedlings for on-farm revegetation projects. The seedlings will be used to plant the first section of a 350-metre stretch of Burgess Stream that winds through the Whytes' property. The project will take around three years to complete and forms part of a wider riparian planting

and wetland restoration plan focusing on 1600 hectares of WIL shareholder-owned land in the Burgess Stream and Old Eyre River catchment. The couple has grown NZ flax (harakeke), Edgar's rush (wiwi), Carex secta (purei), toetoe, and cabbage tree (ti kouka) and has made discoveries along the way about which seedlings are more suited to the local climate. (The Country)

## INDUSTRY

### ETFG Doing Great Job

For farmer Geoff Warmouth, having six young men turn up at his door to clean up his flood-ravaged Marlborough property saved his sanity. Warmouth got a helping hand from the Enhanced Task Force Green to clean up after August's damaging deluge in the region. Richard Kempthorne, Rural Support Trust chairman for Nelson-Tasman and Marlborough, is an advocate for ETFG. "At the end of it, most of them are able to move into permanent employment, particularly with contractors," Kempthorne said. "That's a real plus." The Ministry of Social Development arranged for a crew to work in Nelson and one in Marlborough for nine weeks. To date, they have worked on over 25 farms and community assets. (Stuff)

### Liquidising Assets!

A plan to diversify a business to protect a Southland sheep and cropping farm for future generations is maturing. The business, believed to be the southernmost on-farm distillery in the world, was established on Rob and Toni Auld's 200-ha Scotts Gap farm in 2017. The history of arable farming on the property dates back to 1883, while the Auld family has been growing grain on the farm for three generations. Toni Auld said they knew they needed to diversify if they wanted their children to have a future on the farm. The investigation for diversification options included milking sheep, making cheese and installing a wintering barn - however a distillery emerged that now includes a range of gins from a base alcohol of grain. Their gin brand Ocean's Keep is made from an oat base, with a distillate of Bluff oysters. Another change to the farm operation was starting to grow maize five years ago, to one day make bourbon. Long-term plans include building a new distillery building on the farm. About a quarter of the grain grown on the farm was used in the distillery and the rest was used for stock feed. (Otago Daily Times)

### Growing Your Own Popular

Te Puke's Poutiri Trust has just finished the second round of its mara kai initiative – and around 300 people are now benefiting from having produce grown in their own backyards. The initiative involves providing a kiwifruit bin, soil and plants to a family, backed up with ongoing support to make sure the growth is on the right track. "We're encouraging our community to grow mara kai to combat



some of the problems out there that they are having like shortages of food and increases in inflation," said whanau ora navigator Paora Tuanau. Paora's knowledge comes from his parents and grandparents, from whom he learned the basics. Paora estimates food is now being grown for 150 people from the first round and 75 children and 70 adults from the second, which saw a further 31 bins go to families. (The Country)

### Agile Managers Will Succeed

Farmers will need to be agile managers in order to meet the challenges presented by climate change, according to a Westpac NZ and Lincoln University report. Westpac head of agribusiness, Tim Henshaw, said the report is designed to provide farmers and growers with impartial information about the way climate change may affect their location and type of production, and how they can respond. "However, applying these options more widely will require best practice farm management." The report looks at the effect of drought on a dairy farmer in Canterbury, and the impact of warming winters on kiwifruit growers in the Bay of Plenty. Henshaw said there is no single off-the-shelf solution. Opportunities may arise for producers who adapt quickly – in some cases, land may become suitable for different types of production that were not previously viable. The report also assesses the way de-stocking, combined with improved productivity, can help both reduce emissions and maintain profitability. Lincoln University's Professor Anita Wreford said adaptation will be crucial. "There are very useful actions farmers should consider in the short and medium-terms. However, if temperatures rise significantly, there will come a time at which current adaptations are no longer effective." (NZ Herald)

### Tainui Exploring New System

Tainui Group Holdings is conducting research on its 200ha Mangatea farm to find out whether using farming methods that move away from synthetic fertiliser and sowing a more diverse pasture crop, among other changes, leads to more resilient, profitable farms that better withstand environmental, societal and regulatory pressure. Mangatea is among 10 Waikato and Bay of Plenty farms entering a new era through a \$2.7 million trial called Rere ki Uta Rere ki Tai. The health of the soil, of waterways on farms and the wellbeing of farmers themselves, will be monitored over two years, as will the costs or savings of replacing synthetic fertiliser with seaweed-based biostimulants in some areas on farm. Mozz Trueman said the vulnerabilities of the current system became obvious to him during the pandemic when importing feed became a challenge. "The big goal is to keep everything in-house and not bring anything in. Part of this means reducing stock levels, while trying to increase productivity through nutrition in the soil and pasture." The herd is not only being reduced in number, but switched from the big Friesian to a KiwiCross breed cow. Rather than cutting into the soil, seed will be direct drilled. The trial culminates in a guide that provides a framework supporting farmers to apply evidence-based approaches that respect the mana and mauri of the soil. (The Country)



### Transport Operators Struggling

Stock transport companies are struggling under increasing costs with large customers not willing to pay more. Transporting NZ's Nick Leggett said increasing staff, compliance and maintenance costs are all starting to have an effect. Stock transport companies have a fuel adjustment factor in place so the increasing cost of diesel could be passed on, but other increases could not be done so as easily, he said. If NZ wants to keep the livestock industry efficient and rolling, a change in the spending mindset was needed, Leggett said. "Part of the reason for the shortage is because of wages, and of course there are employer responsibilities there, but customers have to come to the party as well and recognise that they've got to pay transport operators the kind of rates that allow them to pay decent wages." Stock transport companies were afraid to lift prices because they would risk being undercut by cheaper operators, Leggett said. They cannot just come together and collectively lift prices because that was price fixing, which is illegal, he said. "Another issue we are seeing is companies only doing half loads, drivers are showing up to farms expecting to pick up 600 lambs and they're only taking 450, so that's affecting their profits." Delays at abattoirs was likely behind the issue, Leggett said. (RNZ News)

### Chips Fire Chips

A coal boiler has been converted to use woodchips to make potato chips, cutting emissions at McCain Timaru by 95%. The \$5.6 million boiler conversion project received about half its funding from the Government's Investment in Decarbonising Industry Fund. McCain will reduce carbon emissions by approximately 30,000 tonnes per year," said Energy and Resources Minister Megan Woods "That equates to taking 11,000 cars off the road." McCain Timaru has also introduced a heat recovery system to reduce steam demand and recover waste heat from the fryer by using mechanical vapour recompression. The total reduction of energy consumption for fuel use equates to the electricity used by 1400 households. (RNZ News)

### Big Red Meat Hole

The price of red meat is tipped to increase next year partly because of massive demand from the US, according to Rabobank's Genevieve Steven. US beef production is dipping, and the country needs to import meat to fill its fridges, she said. Although this was good news for New Zealand beef farmers who would have a ready export market next year, Kiwi shoppers could expect high meat prices to continue, or increase. Stats NZ data showed in 2018 1kg of porterhouse steak cost about \$29, compared to about \$34 this year. Beef mince had increased from \$14 to about \$18 in that time. The US has a potential shortage of up to 500,000 tonnes of beef in its market – a hole so big that along with NZ, other meat exporters like Canada, Mexico and Australia could not fill it, Steven said. (Stuff)

### Cheap Lamb Photo Causes Flutter

A picture doing the rounds on social media recently showing the cost of a lamb leg in one UK supermarket has definitely hit a nerve with many NZers. The





picture shows what would be considered a low price and at half the usual UK retail value. This created plenty of chatter and concerns over the pricing differential between the two countries. But digging deeper for the facts shows that for starters that price was a Christmas special at only one supermarket for £6.50/kg – in NZ dollars that's \$12.50/kg. You can pick up lamb legs from Countdown this week for less than that. Secondly, the odds of all the lamb legs being solely from NZ are slim, because the online listing specifically states that the leg of lamb could be NZ or British. A quick skim through the four major supermarkets' websites has almost all other lamb legs going for £9.50-£13.50/kg, which works out to be NZ\$18.30-\$26/kg based on the exchange rate at the time of writing. That puts PaknSave and New World at the lower-end of this range this week at \$19-\$21/kg online. (Farmers Weekly)

### INZB Farmers Selected

The first commercial beef farmers have been selected for a new industry programme aimed at boosting the sector's profits by \$460 million over the next 25 years. The ground-breaking Informing NZ Beef programme is a seven-year partnership supported by BLNZ and MPI's Sustainable Food and Fibre Futures fund. The 10 commercial farmers selected for the pilot programme will provide accurate pedigree recording, assess bull teams' performances, ensure accurate information for heifer replacement selection and work with their bull breeders to make more rapid genetic progress. Farmers will also be able to benchmark their herd against others involved in the programme. Hawke's Bay farmer Patrick Crawshaw is among those selected. He is particularly excited about the opportunities to link the genetic situation to production outcomes and to increase the reproduction rate-calving percentage of breeding cows. The INZB programme aims to take on board 10 commercial farmers with a passion for genetics each year. Those selected adopt a recording schedule across the year and can also, if they wish, carry out genotyping of their cow herd and, on an annual basis, calves and sires. (Farmers Weekly)

### Hansen Best Site At Fieldays

Pipe fittings and valve manufacturer Hansen has taken out the Supreme Site award at the National Fieldays. Proving a fan-favourite for all ages, the site featured working demonstrations of their valves, fittings and irrigation systems in action. For a donation to their chosen charity Cure Kids, keen punters could also test their skills on the rock-climbing wall. Sustainability also featured at the centre of the judges' decision to select Hansen for the way they have embraced environmentally responsible behaviour. Food truck Dee Jays Gourmet Griller was also recognised for their dedication to the environment taking out the Commitment to

Sustainability Award for their consistent use of alternatives to plastic cups and utensils. The award for Best Agribusiness Outdoor Site went to Jarden (investment firm) whose site featured a wine bar, indoor and outdoor seating and a seminar schedule of industry professionals speaking about the issues that matter the most to the primary sector. Seales Winslow won the Best Agribusiness Indoors Site for its visually appealing and inviting site. The architectural layout and use of modular features such as the cow enhanced the branding and were eye-catching to passing visitors. (Rural news)

### Softer Approach To Rehabilitation

The fatal stabbing of a Sandringham dairy worker last week has reignited the debate about punishment versus rehabilitation for offenders. But a Waikato-based trust claims to provide a solution based on respect rather than retribution. Te Whangai Trust is a native plant nursery and training centre that welcomes people from all walks of life to learn new skills and get paid while they do it. The Trust accepts anyone who walks up the driveway, including referrals from the police. It currently employs 15 young people who have either committed offences or who the police identify as being at risk of offending. According to the Ministry of Justice, about 70% of people are reconvicted within two years of release from prison. It is for that reason that Te Whangai has an open-door policy. After the trust's pilot programme, 73% of its high-risk recidivist youth offenders did not go on to reoffend, whereas a study into 11 Christchurch-based military-style camps found just 14% of participants did not reoffend. (RNZ News)

## FORESTRY

### AWG Prices Down

At Wharf Gate prices for export logs reduced an average of 6 NZD per JASm3 across ports in NZ in November. This was caused by a reduction in CFR log prices in China combined with the NZD strengthening against the USD. Log inventory in China remains stable. There is still a lot of uncertainty in China, especially with how the government will continue to manage Covid-19. Domestic demand for sawn timber has reduced, but this is now at a more manageable level for mills. Most mills still expect a slow-down in demand in the medium term due to inflation and cost increases reducing discretionary spending. The usual summer increase in building activity and DIY will likely mean any downturn won't happen in Quarter 1. Sawn timber exports remain difficult. China is relatively quiet and has price pressure. (Friday Offcuts)





## Growing Awareness of Wood Construction

A 2022 survey of NZ design, construction and building professionals into the perceptions and barriers to mass timber use in construction highlights a growing awareness and adoption of mass timber, however also that more can be done. The report concluded that there was a general impression that barriers do exist to increasing the uptake of EWP's in the NZ construction industry. These barriers, as well as perceived advantages of using EWP's, manifested themselves in different ways and could be summarised into 4 categories: cost, availability, regulation and standards, and information/education. An increased and thorough understanding of the environmental impacts of

EWP's is also seen as necessary in order to determine the effects of including these products for building projects, particularly in light of the recently introduced climate change objectives from the Ministry for Business, Innovation & Employment (MBIE). This combination of information and education would need to include the carbon benefits of using more timber, but also the potential detriments of manufacturing processes, treatments and adhesives used and end-of-life impacts. (Friday Offcuts)

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