

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

# AgBRIEF

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## AGRIBUSINESS

### Brazilian Joint Venture Sold

Fonterra and Nestlé have agreed to sell their Dairy Partners Americas joint venture in Brazil to French dairy company Lactalis for 700 million Brazilian real (about \$210m). The co-op said the deal is expected to be completed by mid-2023, subject to regulatory authority approvals. "DPA Brazil has reached maturity as an investment for us, and the sale allows us to prioritise our resources to the businesses that are core to our strategy," said CEO Miles Hurrell. DPA Brazil has been held for sale in Fonterra's financial statements since January 2020. The sale is subject to receipt of regulatory approvals from competition authorities. (NZ Herald)

### Team Effort At Farmlands

Being able to pay a return to farmer shareholders for the first time in four years is down to a team effort, according to Farmlands' Tanya Houghton. The co-operative recently announced a \$17.1m net profit before tax and rebates – 34% up on the previous year – in its 2022 annual result. That will allow it to return an \$11.9m gross (\$8.6m after tax) shareholder distribution, the first return to shareholders in four years, and almost double the gross distribution of \$6.2m provided in 2018. Houghton, who has been in the job 15 months, says the result was due to a combination of factors, not just around income. "We are very mindful that as a buying group for NZ farmers, our cost of operation needs to be reflective of the fact that we are a low-margin business." She says Farm-

lands consciously invested in its team, lifting base pay rates, and paying a combined \$950,000 bonus across all permanent team members. (Rural News)

### Strong First Quarter For Fonterra

Fonterra has posted a strong first quarter. The co-op reported an increase in total group normalised earnings before interest and taxes – up 94% to \$368 million. Normalised profit after tax is also up 84% to \$214 million and normalised earnings per share are 13 cents, compared with seven cents at the same point last year. The co-op also announced new earnings guidance: 50 – 70c/share, up from 45-60c. However, its forecast farmgate milk price range drops from \$8.50 – \$10/kgMS to \$8.50 – \$9.50/kgMS. The new midpoint for the forecast milk price is \$9/kgMS, a drop of 25c but the co-op's is holding its advance rate. Performance in the co-op's foodservice channel improved relative to the same period last year, but the high milk price is continuing to put significant pressure on margins in both the foodservice and consumer channels. (Rural News)

### Season's Greetings

This is AgBrief's last issue for 2022. Accordingly, we wish you happiness and prosperity for Christmas and the New Year. Our next issue will be January 19. Best wishes from Sue, Ross, Deb, James, Matt & Max.

### Split Scales Dividend

Scales Corp expects its underlying net profit for the year ended December will be in a range of \$23.5 million to \$28.5m. Managing Director Andy Borland said the com-

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pany is still working to finalise end-of-year sales in the large markets of Europe and China. "We are also in the process of resolving a significant crop insurance claim in relation to the 2022 apple season." Given the uncertainty, company directors said annual dividend payments, which included a six cent interim dividend, will be split into three payments, with the value of the final dividend to be determined when the company reports its year-end results in February. (RNZ News)

### Shareholders Fund Units Rise

Fonterra Shareholders' Fund Units rose on NZ's market after the dairy co-op hiked its earnings guidance. The S&P/NZX 50 index edged up by 6.2 points last Thursday, or 0.05%, to 11,617.14. Turnover was \$130 million. The dairy co-op lifted its earnings guidance to 50-70 cents per share, implying earnings of between \$806.2m and \$1.13 billion, from 45-60 cents per share, or \$725.5m-\$967.4m. Fonterra Shareholders' Fund units jumped as high as 6% earlier in the day but closed up 4.7% to \$3.14. (Farmers Weekly)

### Forced Labour Allegations In RSE

Workers within the RSE scheme are being subjected to conditions akin to modern slavery, according to the Human Rights Commission. It is not a case of a few bad apples, but is systemic, said Equal Employment Opportunities Commissioner Saunoamaali'i Karanina Sumeo. "When people are being told – despite being sick – 'you get in that van, and you go to the field', that's forced labour. If you're living in a regime where you fear for your safety – that is a version of modern-day slavery," she said. Sumeo led the review, which has found numerous instances of human rights breaches including poor housing conditions, workers being banned from travelling or consuming alcohol in their own time, people not being allowed to make dinner for themselves – so being forced to pay their employer for meals – workers being warned against joining a union, and debts taken out against worker salaries with no explanation of how those debts were incurred. Some of those breaches were also found by an International Labour Organisation report in June. (Stuff)

### Biofuel Bill Greenwash

An advocacy group dressed as food products has petitioned the Minister of Energy and Resources to stop a biofuels bill from going ahead, calling it a greenwash. Don't Burn Our Future's Jake Roos, said biofuels present a greater risk to the environment than conventional fuels as the demand on land and crops required for its manufacture is unsustainable. The Sustainable Biofuels Obligation Bill will require fuel suppliers to blend biofuel into all petrol and diesel sold in NZ and has had its first reading in Parliament. Submissions on the proposal are open until next month. "The billions the policy would force NZders to spend on biofuels are better spent on climate solutions that actually work, like public and active transport, electric vehicles and wind and solar energy to power them." (The Country)

### Mixed Reaction To Science White Paper

The Government's white paper on science funding has been largely welcomed by the research community and others, but is seen as light on detail. The white paper

criticised the siloed and competitive structure of NZ's Crown Research Institutes and called for a system to set national research priorities. The Government plans to lift total science funding, including from the private sector, from 1.4% to 2%, although that will still be below the 2.5% OECD average. It also proposed giving researchers more secure career paths and tenure, and embedding Treaty of Waitangi principles into the sector. Any restructuring of research institutions won't start until 2024, by which time the national priority system is intended to be in place. (Farmers Weekly)

### Attendance Down At Fieldays

At times "you could fire a gun and not hit anybody", at Fieldays 2022, according to a disappointed vendor. Running the Southern Hemisphere's largest agricultural event on November 30, a season away from its usual June spot, has tainted attendance. About 75,000 people walked through the gates across the four days, down substantially on previous years – 132,776 in 2021 and 128,747 in 2019. Swannndri's Dan Clark said it was a busy time of year for farmers and a bit of a challenge for them to be able to get off-farm, especially if they were travelling from a reasonable distance. There appeared to be more local people and lifestylers, and fewer national visitors, he said. The Mystery Creek event will return to its traditional winter dates next year from June 14 to 17 and planning is already under way for both exhibitors and the Fieldays team. (Stuff)

### Fonterra Revises Milk Price

The volatile global dairy market has prompted Fonterra to lower and narrow its milk price forecast from \$8.50-\$10 of milk solids to \$8.50-\$9.50/kg MS with a new midpoint of \$9/kg MS. Chief executive Miles Hurrell said the volatility has resulted in some softening of demand for whole milk powder, particularly in China. "We've seen increased participation from other regions, which has offset in part the drop in demand from greater China. While it's still early in the financial year, we are happy with our sales contract rate." Globally, milk supply from key exporting regions is down over the last 12 months. Production in Europe and Australia continues to be down, with US milk supply showing a slight improvement in recent months. "Here in NZ, our milk production is down 2.9% on the same point last season," he said.

### NZRL Actively Seeking Foreigners

NZ Rural Land Company is actively seeking to expand its foreign investor base to facilitate growth and capacity to execute compelling opportunities ahead, according to chair Rob Campbell. He was speaking in the context of the pending purchase of 1889ha of forests on five sites near Whanganui for approximately \$63 million. After the settlement date on April 15, the 26- to 28-year-old forests will be leased back to the vendor, NZ Forest Leasing as tenant, for an initial annual rental of \$5m. Thereafter annual lease payments are subject to CPI-linked adjustments. NZFL and NZRL have not yet disclosed where the Whanganui forests are. NZL chief executive Chris Swasbrook said they were all planted out between 1994 and 1996. (Farmers Weekly)



## Meatworks Wanted For Gardens

Tuakau environmentalists are desperate to buy five acres on the Waikato River before another factory snaps it up – it is the former site of the razed local meatworks. The 5.5 acres across three titles are up for sale by tender, closing on December 16, as they are surplus to the vendor's needs. But Environment Action Tuakau wants the sale postponed until local and regional councils can consider taking the land on and helping convert it into public gardens and wetlands. (Stuff)

## New Rural Connectivity Contracts

About 30,000 households and businesses in rural communities will be receiving better broadband connections after new contracts were signed between the Government and Crown Infrastructure partners. These contracts will accelerate upgrades to towers and broadband connections in areas with poor coverage. Areas that will benefit include settlements in the Far North, Gisborne, Manawatu-Wanganui, Taranaki, Southland and Waikato. The announcement coincided with the release of the Government's new strategy document, Lifting connectivity in Aotearoa, which sets out a high-level connectivity vision for NZ over the next decade. This includes the goal that all have access to high-speed connectivity networks by 2032 and that NZ is in the top 20% of nations in respect to international connectivity measures. (Farmers Weekly)

## PlantTech Into Liquidation

PlantTech Research Institute has gone into liquidation. Chair Mark Gilbert says the company's pipeline of revenue dried up, with its clients, mostly in the horticulture sector, facing very tough seasonal and broader economic conditions. Meanwhile, PlantTech's five-year establishment funding from MBIE is coming to an end. The company has claimed a total of \$129,000 from four separate Callaghan Innovation grants since 2019. Gilbert claims that by making the decision now, the business should be able to pay full entitlements due to staff and creditors. (Rural News)

## Fonterra Milk Intake Down

Fonterra's October milk collections fell 3.1% year on year – down 5.7% in the North Island, but South Island collections eked out a 0.8% gain. Fonterra's overall collections are 3.6% behind for the season to date. (Farmers Weekly)

## Low Response to Farm Survey

Only 67% of expected respondents replied to Statistics NZ's Agricultural Production Survey. This year Groundswell urged farmers to boycott the census as it took issue with the emissions metric Stats NZ uses. It seems they may have had an effect, with numbers filling out the survey down – 84% replied in the last census in 2017. Provisional data shows that at 30 June 2022, the number of beef cattle was 3.8 million, down 3% from 2021; sheep was 25.1 million, down 2% from 2021; dairy cattle was 5.9 million, down 4% from 2021. During the year ended 30 June 2022, the area of wheat harvested was 40,900 hectares, a decrease of 6% from 2021 and barley harvested was 44,000 hectares, no change from 2021. (RNZ News)



### AVERAGE EXPORT MEAT SCHEDULE PRICES

This week, ending December 16, 2022 (last week's in brackets)

LAMB(\$/hd)	North Is.	South Is.
15.0kg YM	118.50 (123.00)	118.50 (122.25)
17.5kg YX	134.30 (139.40)	134.30 (138.55)
19.0kg YX	150.10 (155.80)	150.10 (154.85)
21.0kg YX	165.90 (172.20)	165.90 (171.15)
MUTTON (\$/hd)		
25kg MX2	110.00 (115.00)	106.25 (112.50)
BEEF (\$/kg)		
P2 Steer	6.20 (6.30)	6.00 (6.10)
M2 Bull	6.00 (6.10)	5.75 (5.85)
VENISON (\$/kg)		
AP Stag 60kg	8.90 (8.90)	9.00 (9.00)

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

### AVERAGE EXPORT DAIRY PRODUCT PRICES

	Last week, ending December 9, 2022	4 weeks ago	3 months ago
Fonterra predicted payout			
\$/kg Milksolids	8.00	8.00	8.00
<b>Butter (NZ\$/Tonne)</b>	7490	7920	8940
<b>Skim milk Powder</b>	4970	5010	5930
<b>Wholemilk Powder</b>	5350	5550	5930
<b>Cheddar</b>	7840	8210	8650
<b>Casein</b>	20130	22220	22880

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 9, 2022	4 weeks ago	3 months ago
UK CKT Lamb Leg (£/kg)	4.50	5.05	6.10
US Bull Beef (US\$/lb)	2.27	2.36	2.63
US Dollar (for NZ\$1)	0.636	0.612	0.607
Aust Dollar (for NZ\$1)	0.943	0.912	0.897
UK Pound (for NZ\$1)	0.520	0.517	0.527
Euro (for NZ\$1)	0.604	0.592	0.610
<b>INTEREST</b>			
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
<b>NEW ZEALAND WOOL PRICES</b>			
<b>WOOL PRO Wool Prices</b>			
Fine (21 microns)	1066	1066	1066
Medium (29 microns)	425	425	425
Coarse (35 microns)	260	260	275
2nd Shear(37 microns)	240	240	245
Lamb (30 micron)	240	240	240
<b>W H E A T</b>			
ASW NZ\$/tonne	545	577	572

Presented in association with AgriHQ

## PM To Meet Groundswell

Prime Minister Jacinda Ardern will meet with the leaders of Groundswell NZ this week, a year after saying she would not meet with them. "We think it was the 100,000 signatures," said Groundswell leader Bryce McKenzie. The group will meet with Ardern for half an hour, with no other industry bodies present. "I'll be asking her why she is penalising the most efficient food producers in the world," McKenzie said. (Stuff)

## Gloriavale Asks For Profit Share Return

Gloriavale workers who recently received a share of the Christian Community's profits, were immediately asked to pay it back to cover expenses, including more than \$100,000 in legal fees. The \$335,000 in expenses for October included administration costs, taxes, vehicle hire, capital spending, with close to 40% going on lawyers' bills. An email from Christian Partners, the entity supplying labour for Gloriavale businesses, said members would in future get an estimated share of net profits via a monthly payment into their bank accounts, along with a list of expenses they were expected to contribute to. It is understood there has been some resistance to handing over the money, with concerns that in some cases the varying amounts paid did not sufficiently recognise hours worked. (Stuff)

## Carbon Neutral For Karicare

Danone's infant formula brand Karicare has achieved carbon neutral certification for its Karicare Gold Plus+ Organic and Karicare Gold Plus+ A2 Protein Milk product ranges. The products are the first two to be certified as part of the company's ambition for the entire Karicare portfolio to be carbon neutral by 2030. Danone has recently completed a range of actions at its spray-drying facility in Balclutha, where the base powder for products is produced. Danone's Karicare carbon neutral journey has been greatly aided by its production in NZ, whose dairying is regarded as having the lowest carbon footprint of any major dairying nation. The company is also investing in regenerative agriculture research in NZ with partners Synlait and AgResearch. (Farmers Weekly)

## TRADE

### Premium Price For Live Exports

Farmers and exporters are being paid premium prices for live cow exports before the ban takes effect in April. Minister for Agriculture Damien O'Connor said an estimated \$406 million worth of animals will be exported this year. The value of livestock exported in 2021 was approximately \$340m, up from \$261m in 2020. Chair of Livestock Export NZ Mark Willis said the organisation experienced an increase of more than 20% in the value of animals exported, compared to previous price highs. The demand for breeding stock from NZ increased because Chinese importers and farmers wanted to secure stock before the ban, he said. MPI data shows in 2021 there were 134,722 animals exported, with 109,921 in 2020. This year 109,835 had already been exported. (Stuff)

## LIVESTOCK

### Export Ban Will Cause Price Crash

Ashburton dairy farmer Lyle Williams has sold about 150 young cows for export every year for the past three years. Typically, he would be paid between \$1600 to \$1900 for an export cow, he said. In NZ he would be paid \$500 to \$600 for the same animal because there is already an oversupply of young cows on the market here. Williams is concerned even more surplus animals on the local market due to next year's export ban will affect the entire industry and cause a price crash. The dairy industry is shrinking and will not need the cows that were exported, Williams said. He would also make a significant loss if he reared his cows as it cost him about \$400 to rear one. (Stuff)

### PKE Showing Wrong Figures

Samples of PKE imported into NZ have shown higher levels of magnesium, phosphorus and iron than are recommended for cows, according to University of Canterbury researchers. "The chemicals contained in the PKE can significantly affect our soils and animals, both positively and negatively," said PhD candidate Hadee Thompson-Morrison. "An assessment of the effects of PKE on the sustainability of our agricultural systems is urgently needed," he said. (The Country)

### Methane Trial Enters Next Phase

The quest to reduce methane emissions on-farm has become a focal point for most industry bodies – and research shows that a solution that works from the inside of the cow out may have substantial merit to address the problem. Australasian company Terragen, which develops and markets biological products for agricultural applications, tested its liquid microbial feed supplement MYLO in a 40-day trial and found a difference in both the methane intensity and methane production in the cows. Now, additional funding from the second round of the Australian Federal Government's Methane Emissions Reduction in Livestock programme means Terragen will continue methane emissions reduction research in conjunction with Fonterra, with plans to find out if higher doses of MYLO will reduce methane emissions further. "We are going back to refine the trial, increase the dose, and build on the robustness of the research," said Terragen NZ's Paul Grave. (Farmers Weekly)

### Lamb Price Drop A Surprise

The speed with which new season prime lamb prices have fallen below \$8/kg has surprised the market analyst Mel Croad. The AgriHQ indicator price is now \$7.95/kg in the South Island and \$7.90/kg in the North Island, falling from a range of \$9.55-\$9.60/kg at the start of October. The price is over \$1/kg lower than at the same time last year, reducing the value of a 17.5kg cwt lamb by between \$17 and \$22 a head. It reflects weaker international lamb markets – and Croad fears prices could ease further. Confronted with inflation, consumers are reducing their spending or buying cheaper cuts, and demand in China is



hindered by lockdown policies to control Covid. A year ago, a NZ lamb leg in the UK was selling for £7/kg. It is currently selling for £4.75/kg. The reduction has been less in Europe, at  $\approx$ 7.70/kg compared to  $\approx$ 6.55 at present. (Farmers Weekly)

### **M.bovis Efforts Being Hindered**

MPI says farmers failing to keep accurate stock movement records are hindering efforts to eradicate Mycoplasma bovis. Director-General Ray Smith said an increased focus on pushing Nait has paid off this year, with higher compliance rates. "We've gone from 60% to 96% compliance." Smith said incomplete Nait records have resulted in farms being placed under movement controls, which may not have been needed if animals were properly accounted for under the tracing system. M.bovis programme director Simon Andrew said most of the infected properties would be cleared by early next year and eradication remains on-track, but it is vital all farmers use Nait properly. (RNZ News)

### **Hundreds Of Unregistered Animals**

Farms being placed under movement control may not have been the case if animals were properly accounted for under the Nait system. MPI's Simon Andrew said the ministry has prosecuted a number of serious cases this year involving hundreds of animals. Having hundreds of unregistered animals has sparked concern for the Mycoplasma bovis eradication programme. (Farmers Weekly)

### **Fined For Cruelty To Goats**

A stock truck driver has been fined more than \$3500 for cruelly unloading goats from a vehicle. MPI says Wayne Patterson collected the feral goats from a property in Ashburton and drove them to a meat processing plant in Wellington. CCTV shows Patterson throwing nine kid goats and two adults down an unloading ramp onto a hard surface. At one point, Patterson dragged a dying adult goat by its legs upside down and threw it down the ramp, landing on two of the kid goats. (RNZ News)

### **National Suffolk Ram Record**

A national record price for a Suffolk has been set after a syndicate paid \$17,000 for a Collie Hills ram hogget at the Canterbury A&P Association's elite ram and ewe sale. The ram was a twin weaned at 40kg and in the autumn weighed 70kg when he was scanned with 29sq cm of eye muscle area. (Otago Daily Times)

## **HORTICULTURE**

### **NZ Should Ratify Migrant Convention**

NZ's ratification of the International Convention on the protection of the rights of all migrant workers is one of three commendations from an EEO review of the RSE scheme. Others are: a review of the RSE scheme through a human rights lens, allowing RSE workers to switch employers without the permission of the employers they were leaving, clearer employment contracts, better enforcement through the labour inspectorate, limiting the deductions employers could take out of worker wages, more transparency around salary deductions made for things like

healthcare, making an independent party responsible for worker pastoral care, and creating a process where workers can freely return home early if they want to. (Stuff)

### **Judd Best Young Horticulturist**

Hawke's Bay apple grower Regan Judd is the 2022 Young Horticulturist of the Year. The 26 year-old has been with T&G Global for five years. He joined the company when he moved to Napier, after graduating from Massey University with a Bachelor of Agr Science majoring in horticulture. Sam Bain, a vineyard manager employed by Villa Maria Estates in the Hawkes Bay, came second. Meanwhile, Courtney Chamberlain – who is the assistant manager of Hadstock Farm, near Christchurch – was third. (Rural News)

### **Sweetcorn Late**

Your perfect summer barbecue might have to wait because sweetcorn harvests have been delayed by a week in the biggest growing areas, according to Leaderbrand's Richard Burke. His firm is a week late with its sweetcorn harvest as the impact of a La Nina weather event meant wet weather and less sunshine than usual. Sweet corn is a popular vegetable, with sales going up and costs coming down when retailers offered deals, for example, three cobs for \$4, or 5 cobs for \$7. Other fruit and vegetables like bananas, beetroot, cabbage, or celery were not as driven by price as sweetcorn is, he said. (Stuff)

### **Tougher Measures For Vineyard**

Marlborough's councillors have urged council staff to act after a winery failed to submit its wastewater and grape marc monitoring report. There were 38 wineries that submitted information to demonstrate their compliance. Records show 34% or 16 wineries were fully compliant, while 16% or six were technically non-compliant and 50% or 19 were non-compliant. No wineries were significantly non-compliant. The common areas of non-compliance were the exceedance of pH, wastewater ponding ... missing sampling events, and providing late information. A staff report said it was concerning to note the significant increase in non-compliant winery discharges, and was likely a result of winery wastewater systems and management not being sufficient to respond to the harvest size. The situation is further exacerbated by labour shortages due to Covid-19. (The Country)

### **More Pickers This Year**

A shortage of fruit pickers may not be the issue for Central Otago orchardists this season that it has been for the past two years. Orchardists are confident they have enough staff, with NZders returning from last season and an influx of backpackers now that borders have reopened. Seasonal Solutions Co-op's Shaun Fogarty said that while orchards appear to have sufficient workers for the harvest, a shortage of accommodation is hindering recruitment of Pacific Islanders under the RSE scheme. (Farmers Weekly)

### **Better Cultivars Faster**

'More, better and faster' is the ethos of the relatively new Kiwifruit Breeding Centre. Dr Bart Challis, KBC's



chief commercial officer, says the intention of the new joint venture is to give a much deeper integration for both partners. The new organisation was established just over a year ago and is a 50/50 joint venture between Zespri and Plant & Food Research Institute (PFRI). Challis explains that the previous model was in part a transactional one and at arm's length, whereas KBC brings together the organisations at a more strategic setting. He says the goal is to produce more and better cultivars faster. This sits over the top of a mission statement, which is to produce kiwifruit that suits the demands of consumers, growers and the supply chain. "The 'more' is not simply a volume-based measure in isolation," he explained. Challis says the goal of KBC is to deliver solutions through technology, rather than technology delivering solutions. To that end, the KBC team is looking to tools in particular genomics aimed at speeding up the process of finding new suitable cultivars and special valuable traits within these. (Rural News)

### Herbs vs Weeds

A battle is underway in an apple orchard in Motueka as researchers watch to see if ground-cover plants will see off weeds and reduce the need for herbicides. In the Motueka study, herbs and forage species have been planted under apple trees in Willisbrook orchard. AgFirst, Willisbrook Orchard, NZ Apples and Pears Inc and Plant and Food Research in Motueka are all involved in the trial. The advent of new-age canopy systems with trees growing in a 2D configuration, as opposed to in a traditional vase shape, means more light now reaches orchard floors. This makes it easier for weeds to grow but also provides the conditions for the species used in the trial to become established. The species selected are sheep's burnet, a deep-rooted perennial herb; bird's foot trefoil, a member of the pea family; plantain, a herb with a fibrous and coarse root system; strawberry clover, a perennial clover that performs well in hostile conditions; alyssum, a compact perennial flowering plant; chicory, a hardy perennial; and common yarrow, a flowering, low-growing plant. The initial trial is for nine months. (Farmers Weekly)

### Pop-up Business

Mushrooms popping up on the lawn during the Covid-19 lockdowns led Colin Cambier of Wainui to what he hopes will become a thriving business in exotic culinary mushrooms. The long-time salesman is still building his brand of Wainui Valley Mushrooms and knows that marketing will be the key to the success of his venture. Cambier says that while popular and well-known in Asian cuisine, there is still much work to do in educating the Western palate on the delicate texture and mild, savoury flavour of oyster mushrooms. Cambier grows grey and pink oyster mushrooms and has recently started growing native oyster mushrooms. He gets native spores from Raglan and two varieties from a Northland supplier. Pink and grey oysters are fan-shaped and the native oysters are more of a trumpet shape. Lion's Mane looks more like coral. To make his website more interactive, he wants to start encouraging people to send in recipes and perhaps have a competition. One of his regular customers uses them in Miso soup. The mushroom waste makes fantastic compost and he is booked three months in advance for that. (Rural News)

## SOIL, WATER, LAND, ARABLE

### 5% More Cereal Crops This Season

Cereal crops either in the ground or soon to be sown over an estimated 99,700 hectares are up 5% on last season. However, conditions are starting to dry out now, and the AIMI said an extra 3400ha in milling wheat and 3000ha in malting barley is being grown this season. The overall area sown in milling wheat crops is expected to be up 44% on last season, feed wheat crops are set to be up 1%, feed barley crops down 1%, malting barley up 53%, milling oat crops down 29% and feed oats down 30%. Federated Farmers' Andrew Darling said with 11,113ha already sown or going to be sown, that brings milling wheat hectares back very close to the 11,798ha harvested in 2021, before grower confidence was severely dented by changed buying practices by the mills and to a lesser extent poor conditions during last season's grain-fill. The latest AIMI survey of 132 farms found that the 767,000 tonnes of harvested wheat, barley and oats grown over the 2021-22 season was down 1% on the previous year. (Otago Daily Times)

### Waterway Cleaning Trial

In a NZ first, a waterway-cleaning seaweed trial was launched at Fieldays by Agriculture Minister Damien O'Connor, marking the beginning of a potential solution to several issues confronting the sector. Ulva has been trialled by Agrisea for several months – it absorbs excess nutrients like nitrogen and phosphorus from polluted waterways to aid its growth, and then the biomass can be used as fertiliser after being harvested. The current pilot is located at the rivermouth of the heavily-polluted Waihou River, which technician Taylor Moore says is the perfect location. "We're drawing water from the Waihou River system at high tide, so it's got some saltwater and freshwater inputs," he said. Moore says that although there are several viable uses for the seaweed, it would be best used as a biostimulant to replace certain fertilisers – it works with the soil biology to provide a balanced and more complete food source for the different microorganisms, resulting in healthier soils and subsequently healthier plants. (Farmers Weekly)

### Maize Less Marginal Now

Maize is shaping up to be an option for South Island cropping farmers with a first-year trial showing a warming climate will allow maize to be grown in areas which have previously been marginal for the crop. FAR's Dave Densley says maize silage demand from the dairy sector is also increasing as its use can complement pasture-based systems nutritionally and economically. However, for maize silage to compete with palm kernel as a suitable supplement for South Island dairy farmers, economic yields and consistent forage quality are required. Crop management will likely be different to the North Island with different cultivation methods being investigated to demonstrate how to plant and harvest crops commercially using narrow row spacing compared with the industry standard practices optimised for the major growing regions in the North. Meanwhile this season, for



the first time, maize growers and purchasers have the option of using a high-tech sensor as a measurement tool during harvest for maize forage trading. NZ is possibly the first country in the world to provide the option, streamlining the information-gathering process. (Farmers Weekly)

### Start On Wallaby Fence

An impressive 12.5 km wallaby fence is being erected in the Whakarewarewa Forest, hopefully halting the spread of the Australian native. The Bay of Plenty has become home to the Dama wallaby species, but they are now spreading into parts of the Waikato, and currently cover an area of more than 200,000 hectares. The project is costing around \$1.5 million, and it's expected to save just as much over the next 15 years in reduced surveillance of the migrating marsupial. The fencing will keep wallabies in the forest, while methods of eradication are explored – something that is already underway in other parts of the region. (The Country)

### Sustainability Panel For Pamu

Pamu has set up an independent sustainability panel to bolster its commitment to sustainable farming: Kate Beddoe, chief sustainability and risk officer at SFF; Carolyn Mortland, a member of Zespri's sustainability advisory board and a former director of global sustainability at Fonterra; Richard Gordon, former chief executive of Landcare Research; and Luke Harrington, a climate scientist and lecturer at Waikato University. The other two members are Pamu directors Desiree Mahy and Belinda Story, who will chair the panel. The panel takes over the work of the company's environmental reference group and Visionary Vets One Health Group, which have been disbanded. (Rural News)

## INDUSTRY

### Mandatory Plastic Recycling Approaches

The days of burning or burying plastic packaging on farms are numbered as the agricultural sector gears up for a recycling scheme which will make it mandatory for manufacturers to take responsibility for their products. It's music to the ears of Agrecovery's Tony Wilson. "It gets rid of the free riders, the people who externalise their costs by just sending their product out there without paying for the plastic to come back again. Hopefully the free riders will just come on board and start paying." Manufacturers who don't join the product stewardship scheme face a \$100,000 fine from the Ministry for the Environment. Agrecovery is currently constrained because not all manufacturers fund the voluntary scheme, and the Trust would go bankrupt if it collected everything, Wilson says. It will mean less time spent chasing manufacturers to join up, and more time encouraging them to change the packaging that is being brought into the market so that it's more recyclable, he says. Agrecovery prefers a 'circular' solution with plastic packaging returned in good condition, recycled, and used again. (Stuff)

### Covid Helped Wool Carpet Trend

Covid-19 has helped accelerate a trend towards more natural fibres, according to Bremworth chair George Adams. The company, which moved away from the use

of synthetic materials two years ago and embraced the production of wool carpets, says research shows that consumers now favour wool carpet much more strongly than at any time in the past three years. The company now has the foundation needed to rebuild wool's share of the flooring market and grow its business. "Price is no longer the dominant driver of purchase decision, and a growing segment of consumers are rethinking their use of plastics and their impact on the environment," he claims. Total revenue for financial year 2022 reached \$95.5 million compared to \$111m the previous year. Non-wool carpet revenue accounted for \$19m of the reduction in revenue. Woollen carpet and rugs revenue remained unchanged at \$73m: NZ revenue rose \$4.4m or 15%, while in Australia revenue was down \$5m as the company moved away from the high-volume commercial business to focus on premium residential customers. Net profit for the year rose 29% to \$2.2m. Adams says Bremworth now has a clear growth strategy to grow the wool flooring market, grow its share of the market, expand its presence and use design-led innovation to remain competitive. (Rural News)

### Maori In Unique Position

Maori agribusinesses need Government support on their goals because Maori are locked into their land and as such had a unique relationship to it and a pivotal role ahead. "The difference for us," said Tina Ngatai of the Maori Agribusiness Sheep Milk Collective, "is we can't sell our whenua and many of our people are in such poor states, we just have to step it up for the next generation. The land blocks I'm on, a lot of us give contributions to our people every year and they rely on us to do it. We can't compromise that financial contribution we make to our people because, without it, some of them would be in serious financial difficulty. We had four dairy farms and we said what are we going to do, we can't keep polluting our lakes, we were part of the polluting problem with all the nitrates running into our lakes." She said the collective didn't wait to be told what to do, it grabbed that wero, that challenge, and six years ago decided its best option was to go into dairy sheep. The collective's goal is to have multiple farms milking 25,000 sheep and potential to employ more than 100 people by 2030. (The Country)

### Bouskill Rules

Reigning champion Tony Bouskill took out the Golden Pliers by WIREMARK Singles Championship for the fourth year running. The annual competition at Fieldays was fiercely contested. Bouskill also won the Fieldays Silver Spades Doubles Championship with his father Shane, showing great teamwork and dedication to the job at hand. It's not the first time the pair has won the championship, having competed and won the same award three times previously, in 2017, 2019 and 2021. Meanwhile, Sander Visser took out the Bill Schuler competition. (Rural News)

### Blunt Tools Not Needed

New research by Headlands Consulting suggests dairy farmers don't need blunt tools proposed in the Government's agricultural emissions proposal to meet climate change targets. Instead, Headlands claims its modelling



shows better outcomes in terms of reductions in the carbon footprint of milk, greenhouse gas emissions, nitrogen leaching, dairy cow numbers and land used, while maintaining total milk production and increasing on-farm profit. Managing director Warren Morritt says farmers can achieve all this while remaining within Fonterra's pasture-based milk criteria. This research shows that with systematic refinements and inclusion of a moderate amount of concentrate feeds to fewer, but better cows, the total amount of feed required per farm reduces dramatically. However, total milk production per farm is retained, increasing feed conversion efficiency. (Rural News)

### Milk's Status Needs More Consideration

Milk's status as a highly nutritional food source needs more consideration in discussions about environmental footprints and sustainability. When this is put into context, says Dr Jeremy Hill, there is a strong argument that cutting back on dairy for climate reasons is a mistake. "We are missing the nutrition arguments when we talk about footprints." Speaking at the launch of animal health company AHV NZ, he said dairy produces 2-3% of global emissions. "That sounds a lot for a food... but look at how much nutrition it's producing. If the world could produce all the milk as efficiently as NZ does, you could have all of that nutrition for less than 1% of the world's greenhouse gas footprint." The contribution of dairy to the average per capita footprint in NZ is just over 1%, Hill said. "A year's worth of milk is a flight from Auckland to Wellington and back." However, Hill said this does not mean the dairy industry is off the hook when it comes to lowering its emissions. Modelling shows that 91% of all food waste globally originates from plant foods and only a small amount of food waste comes from dairy. This surprises many people, Hill said. (Farmers Weekly)

### Eggs More Expensive Next Year

Inflation and a smaller flock of layer hens are likely to push up the price of eggs next year. Director of the Egg Producers Federation Michael Brooks, said inflation would largely determine this. But doubts among egg producers about how hen housing regulations will affect them also meant they are not expanding their operations – meaning fewer eggs would be available during the first few months of next year, Brooks said. Fifteen small free-range egg farmers had closed their businesses over the past two years, with no new free-range farms opening this year, Brooks said. "Covid hammered the small free-rangers because supermarkets felt it was easier to deal with large-scale producers, as it guaranteed them certainty of supply countrywide." Smaller producers mostly sold to corner dairies, at farmers' markets and to cafés, and because many cafes and farmers markets were closed during the pandemic, many free-range producers lost their clientele, Brooks said. (Stuff)

### First Rural Telethon Approaches

One of the hosts of the country's first rural telethon is excited about its aim of raising one million meals to help fill foodbanks and community organisations for an entire year. The event will be live-streamed from Lincoln University across Facebook and YouTube and Meat the Need's social media platforms. Federated Farmers' Wayne Langford said there would be over 80 live crosses, including to celebrities, sports stars, and politicians as well as various farms, rural business, foodbanks, and people who had donated or supported the cause, across the country for the telethon, which has been dubbed 'The Big Feed'. It could be a bit rough and raw: but they are determined to "have a crack at doing something, because at the end of the end of the day, the result was what we're after". (Stuff)

## FORESTRY

### NZIF Disputes Claims

The NZ Institute of Forestry has hit back at Fish and Game's claims that the amount of land being planted in forestry has negative implications for recreational access and freshwater health. NZIF president James Treadwell said some of NZ's most intensively used forest recreation areas are in exotic forests such as Hanmer, Naseby, and Woodhill, and water quality from well managed exotic forests is superior to pasture catchments. "The majority of forestry owners make their estates available for hunting and fishing. There is probably more forestry land available for recreational access than pastoral land," Treadwell said. "Offshore interests have not and have not been investing in carbon forestry, they are investing in timber production forests. Such forests in the current forest industry are returning around twice the economic worth to NZ as the dryland pastoral sector," he said. (Stuff)

### Ernslaw Fined Over Storm Damage

Victims who experienced an onslaught of water through their homes and farms four years ago in a huge Tairāwhiti storm have spoken of their grief and anger at a forestry company that acted like cowboys. Ernslaw One Ltd, one of NZ's biggest forestry companies, was sentenced and made to pay a \$225,000 fine to Gisborne District Council and a total of \$130,000 in emotional harm reparations to several victims. Judge Dwyer spoke of the futility and high degree of failure by the company and its lack of effort to make amends and help the victims. It is the last of five companies the Gisborne District Council has charged over the storm. (RNZ News)





## Warning Over Lucrative Exotic Forests

Ministers were warned that leaving policy settings unchanged would make planting permanent carbon forests so lucrative that they would crowd out large areas of farmland and threaten attempts to reduce greenhouse gas emissions. Following the advice, the cabinet left the policy unchanged with work to continue on new options to be put in place in 2025. Current settings heavily incentivise planting pine trees and walking away from them. MPI officials said at a carbon price of about \$70, permanent exotic forest owners would earn upwards of \$35,000 per hectare, solely driven by the carbon price, compared

with about \$4500 per hectare for a sheep and beef farm. Planting the same land in plantation pine trees that are harvested, sold and replanted would earn about \$25,000. The ministry estimated that 350,000ha of permanent exotic forests could be established this decade in response to the economic incentive provided by the ETS. The yet-to-be-decided changes are intended to come into effect from January 2025. (Farmers Weekly)

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