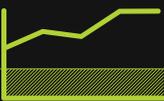


# Hill country sheep and beef farming is a productive and sustainable use of our hill country land, which supports thriving rural communities.

## Productive

Average farm profit 

**\$144,800** 2019-20f

### Hill country sheep and beef farms are productive and profitable

Hill country farms generated a profit before taxation of \$144,800 per farm in 2019-20f. Hard hill country farm profitability is even higher at \$154,000 before tax per farm.

  
Profit per ha  **84%**  
Increase since 1990-91

### Hill country profitability has improved on a per-hectare basis since 1990

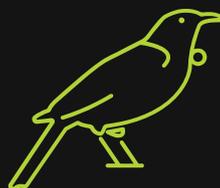
Overall, hill country profitability per hectare (as measured using EBITRm) has increased 84% since 1990-91. Hard hill country farm profitability per hectare has increased by 83%.

## Sustainable

GHG emissions  
 **31%**  
Below 1990 levels

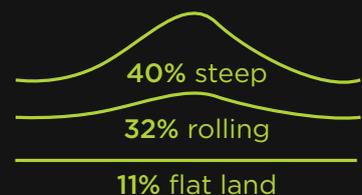
### Lower GHG emissions

Hill country sheep and beef farms, along with all sheep and beef farms, have reduced their absolute GHG emissions by 31%. Exceeding NZ's international commitment of 11% below 1990 levels by 2030.



### Native vegetation cover

A substantial proportion of all NZ's native vegetation cover is on sheep and beef farms. This is higher for hill country farms; much of this is the non-grazed land on these farms. The majority of QEII covenants are on sheep and beef farms. Converting areas of sheep and beef farm native cover to plantation forestry would reduce this native vegetation and its diversity.



### Diversified land use

Hill country farms are 11% flat land, 32% rolling and 40% steep. Steep land is only useable for food production through grazing. 15% of hill country land is non-grazed native vegetation, and 3% is in plantation forestry.

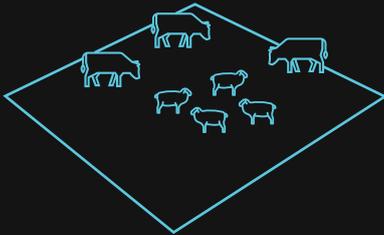


### Low nitrogen use

Hill country sheep and beef farms use low and appropriate applications of nitrogen fertiliser. Hill country sheep and beef farms use on average 12 kg per ha of elemental Nitrogen (N) on pasture compared with 20.6 kg per ha for sheep and beef farms on finishing country. This is considerably lower than the 38kg per ha in the UK.

## Next steps for hill country sheep and beef farms

- Hill country sheep and beef farming has made considerable progress in productivity, sustainability and in supporting its communities over the last three decades – but there is always more to be done.
- B+LNZ is working with government on a major \$8.1m research programme identifying further improvements in hill country sheep and beef farming.
- B+LNZ's Environment Strategy will drive further gains in sustainability (specifically water quality, greenhouse gases, soils and biodiversity) through widespread use of Farm Environment Plans, catchment groups, and better evidence and data to drive improvements on farm.



### Stocking rates for hill country farms are low

Hill country farms run 7.5 stock units per effective hectare; 4.1 of these are sheep stock units and 3.3 are cattle stock units. Effective hectares exclude non-grazed and forestry land.



### Erosion/Sediment

Erosion and sediment can be an issue on hill country properties. Most hill country farms have or are undertaking planting for erosion control and have or can build sediment-debris traps where appropriate. Evidence indicates that these actions are having a positive impact on water quality.

## Thriving communities



### Heart of rural communities

There are over 4,500 hill country sheep and beef farms in New Zealand. This is around half of all sheep and beef farms. They are at the heart of our rural communities.



### Supporting employment

The red meat industry accounts for over 92,000 jobs, nearly \$12 billion in industry value added and \$4.6 billion in household income, including flow on effects.



### Hill country farms are an integral part of the sheep and beef sector

Hill country farms breed stock to supply direct to processing but also significantly supply stock to lowland farms for finishing.



### Direct spending in regions

All sheep and beef farms generated \$5.3 billion at the farm gate which is spent in regions buying goods and services to operate the farm, and by the farm family and staff on their living expenses. This expenditure supports yet more jobs in rural communities. Hill country farms account for approximately half of this spending.