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Red Meat Report Issue 06

Introduction from Sam McIvor and Sirma Karapeeva

With the October election just around the corner, political parties' policy platforms are front and centre. Farmers and processors are taking a keen interest because we have had to become particularly well-versed in policy discussion over the past few years.

After the turbulence of the Covid pandemic and its immediate aftermath, many in the sector had been hoping for a quiet and smooth entry into 2023. Unfortunately, that has not been the case with a choppy start to the year.

Around the world, central banks have started bringing inflation back under control, but that has had the unwelcome side effect of slowing the global economy and softening prices for red meat as global consumers become more price sensitive.

This has come amid rising cost pressures on the production side of the farm gate, and farm profitability is now expected to fall by more than a third, with on-farm inflation running at 16.3 percent.

Excessively tight labour markets and restrictive immigration settings have also meant that processors have had to leave value on the table because they did not have the ability to run at optimal capacity.

These are undoubtedly tough times, and why B+LNZ and MIA have been so strong in our political advocacy around the Government's extensive reform agenda.

Our farmers are improving their environmental footprint, but the cumulative impact of poorly formulated policies, the scale and pace of change and the highly centralised approach is actually undermining progress.

We have been asking the Government to slow down and get policies right before introducing any new rules and to work with the sector to fix some of the existing rules such as afforestation and freshwater.

Our farmers, processors and exporters are world class at responding to challenges and change and we are confident that they will continue to innovate and evolve as a critical sector for New Zealand. When the red meat sector thrives, all New Zealanders thrive.



Sam McIvor
CEO,
B+LNZ



Sirma Karapeeva
CEO,
MIA



SECTOR-WIDE UPDATE

MANIFESTO

B+LNZ and MIA started 2023 with an early call for future governments to work with the sector, with the launch of the [red meat sector manifesto](#). Given the slowdown globally and rising costs, it's more important than ever that we get our domestic policy settings right.

Recognising that political parties would still be shaping their policy platforms ahead of the October election, the document set out a comprehensive package of policy changes aimed at sustainably growing export revenues and increasing jobs.

The recommendations spanned across the policy areas of climate and environment policy, workforce and industrial relations, trade, biosecurity, and innovation, research and development, and was sent to every Member of Parliament, as well as rural and provincial mayors across the country.

A key theme was that major policy change needs to work with New Zealand's specialised red meat production system rather than against it.

There was a strong call to press pause on any new environmental regulation like biodiversity and RMA reform and work with the sector to fix policies already in place like afforestation and freshwater.

The sector has been meeting with politicians from all the main parties over the last few months to talk through the key policy priorities and will continue to do so up until the election.

In the last few weeks we have started to see some movement from the Government to fix some of the rules of concern such as afforestation and the low slope map for stock exclusion. Some of our requests have also been reflected in the policy announcements by National and Act. There is also support within the Green party for some of our concerns around afforestation in terms of the scale and pace of whole farms being converted and wanting to see greater recognition of on-farm sequestration and wider environmental benefits such as biodiversity.

The manifesto remains a central pillar of our advocacy strategy, and one we will continue to promote as the election nears.

New Zealand's red meat sector: our priorities for a prosperous New Zealand

The New Zealand red meat sector produces the highest quality steaks and lamb, premium beef and lamb for customers who love to eat well. Our sector drives the growth.

Our annual beef, veal, sheep and beef cattle as value equivalent (comparable) live hog production (100,000 tonnes) is the largest with almost a quarter of that being exported. Our sector contributes to the national economy with an estimated value of \$1 billion annually to the national economy. Our sector is a major contributor to the national economy, and making a real difference to rural and regional communities.

We make a vital contribution to the social, economic and environmental wellbeing of New Zealand, and this is recognised by the national government.

For us, practical policy and regulatory settings are critical if we are to continue to be a leading food producer and provide world-class, sustainable and premium food.

Our sector's success relies on government support. This is why we make it happen together.

- 1/4 of the national economy
- 92,000 jobs
- \$11b in exports
- 5% of the national economy

Government can help us achieve this vision in the following ways:

- Climate and Environment Policy
- Workforce and Industrial Relations
- Trade
- Biosecurity
- Innovation, Research and Development

MIA BBQ

Building off the launch of the manifesto, MIA invited parliamentarians and senior officials to discuss the details of the policy package while sampling some of New Zealand's best barbecued beef and lamb.

Under the theme of 'Good Policy, Better New Zealand, Great BBQ,' the aim was to reinforce the sector's clear message that New Zealand can be a global leader when it comes to environmental and agriculture production outcomes, but this requires a long-term commitment to working in partnership.

The event was well attended by Members of Parliament, senior officials from the Ministry for Primary Industries, Ministry for the Environment, Ministry for Foreign Affairs and Trade, Ministry of Business, Innovation and Employment, as well as other stakeholders.





Kiwis backing farmers!

KIWIS BACKING FARMERS CAMPAIGN

In February, B+LNZ launched the *Kiwis Backing Farmers* campaign in partnership with advocacy group 50 Shades of Green NZ. This was supported by MIA.

The campaign was aimed at highlighting the cumulative impact of the environmental regulations on farmers. Many of the policies have been developed in isolation without fully comprehending both the linkages between the rules, but also the cumulative financial impact. Farmers are overwhelmed by the volume, complexity and economic implications of all these rules.

The campaign asks New Zealanders to show their support for the sheep and beef sector and thriving rural communities. It calls on the Government to press pause on new rules and work with the sector to fix existing ones like putting limits on forestry offsets in the ETS.

[Click here](#) to visit the website and submit an email to Ministers.

More than 3,000 people have emailed politicians as a result of this campaign, exceeding our goal. Each person can email nine politicians, meaning this campaign has generated more than 27,000 individual emails to Ministers.



The right rules, the right place, the right time.

Make your voice heard!



Over the last five years
175,000 hectares of
sheep and beef farms
have been purchased to
convert into pine
plantations

[This Facebook video](#) about unchecked carbon farming has been shared more than 900 times and viewed more than 200,000 times. This is an issue that resonates strongly with the public, and has been useful in attracting people to the website learn about the other issues facing the sector.

We've also created short videos about some of the other issues like the inaccurate [low slope map](#) for stock exclusion and how the definition of a [Significant Natural Area \(SNA\)](#) is too broad – we encourage you to share these on Facebook.

FARMERS FACING HIGHEST ON-FARM INFLATION SINCE EARLY 1980S

For the second year in a row, sheep and beef farmers are facing on-farm inflation levels not seen since the early 1980s.

[B+LNZ's Sheep and beef on-farm inflation report](#) shows a 40-year high at 16.3 percent, two and a half times the consumer price inflation rate of 6.7 percent.

In March, B+LNZ forecast a 30 percent decrease in average farm profit based on estimated on-farm inflation of 12-13 percent, but the latest numbers mean farm profit is likely to fall even further.

The jump to 16.3 percent for sheep and beef farm inputs between March 2022 and March 2023 follows a 10.2 percent increase over the previous 12-month period and is up 31.1 percent over the last five years.

The largest increase was for interest (+86.5 percent), which contributed substantially to the overall increase in on-farm inflation because it comprises 10.9 percent of total farm expenditure.

Floating interest rates doubled from March 2022 to March 2023 while fixed and overdraft interest rates increased by around 50 percent. Feed and grazing (+14.8 percent) and fertiliser, lime and seeds (+14.0 percent) were the next two largest increases for the year.

These significant financial challenges facing farmers, with many also working to recover from Cyclones Hale and Gabrielle, are another reason B+LNZ is calling on the Government to put the brakes on its raft of environment policy changes.

B+LNZ PROVIDES POST-CYCLONE COSTS ANALYSIS FOR SHEEP AND BEEF FARMING TO GOVERNMENT

B+LNZ worked with a range of groups to calculate the direct on-farm impact on sheep and beef farmers of Cyclones Hale and Gabrielle, and the Auckland Anniversary weather event.

The report will help inform Government consideration of what further support farmers may need to get back on their feet quickly and to ensure impacts don't spread beyond the farm gate.

The direct on-farm impacts of the extreme weather events in January and February on North Island sheep and beef farmers were found to be in the range of \$367-422 million.

The damage was primarily to on-farm infrastructure such as fences, tracks and accessways, dams, culverts, bridges, and water reticulation. Most of these costs are not insurable.

The range identified was made up of \$12-16 million for Northland-North Auckland, \$18-21 million for Waikato-Bay of Plenty-Coromandel and \$336-385 million for the East Coast, Hawke's Bay, Tararua and Wairarapa.

The East Coast and Hawke's Bay region was the most severely affected, particularly around the Gisborne area, and B+LNZ estimated that 55 percent of sheep and beef farms in the region suffered damage.

B+LNZ worked closely with the Ministry for Primary Industries, regional and local councils, Regional Action Groups, Te Tumu Paeroa and farmers across the North Island to undertake its analysis.



M. BOVIS ERADICATION PROGRAMME ENTERS NEW PHASE

B+LNZ, alongside DairyNZ and the Ministry for Primary Industries (MPI), is a partner in the *Mycoplasma bovis* (*M. bovis*) eradication programme.

The number of confirmed properties, and those under Notices of Direction, has continued to decline, indicating New Zealand is now at the 'tail' of the *M. bovis* epidemic. However, we can expect a small number of infected properties in the future.

As the remaining confirmed properties were in a small area of mid-Canterbury, a Controlled Area Notice was put in place in Wakanui in October 2022 to allow for measures to depopulate all infected properties within the area, followed by cleaning and disinfection. This process has now been completed, with repopulation and monitoring surveillance underway.

Investigative work is continuing into the risks associated with imported semen and the programme is liaising with importers to support farmers who use imported semen.

The programme is preparing a proposal for a National Pest Management Plan (NPMP). Farmers and others will be consulted on the development of the NPMP, with the ability to provide feedback and suggestions.

The NPMP will provide continuity in important elements such as compensation entitlements, after the legal framework of the programme changes. The programme's current partners will continue to work with farmers to promote the importance of traceability and NAIT.

The partners have also launched a project to further develop a farmer-led approach to incentivising on-farm biosecurity and the value this can add to herd health and responsible trading in animals.

MIA and B+LNZ are working with other industries on the MPI Foot and Mouth Disease (FMD) Task Force. This was established in 2022 to increase New Zealand's readiness for FMD. The Task Force has made progress in meeting a number of the recommendations made in the report from the Independent Review into the *Mycoplasma bovis* Programme in November 2021.



ENTRIES OPEN
Shine a light on your
local heroes.

CLICK HERE TO NOMINATE



BEEF + LAMB NEW ZEALAND AWARDS

B+LNZ has announced the date for the 2023 awards – Thursday 19 October, at Christchurch's Te Pae Conference Centre – and nominations across eight categories are open until 23 July 2023.

The Beef + Lamb New Zealand Awards are an opportunity for the red meat sector to come together and celebrate its people and technologies. The inaugural awards in 2022 were highly successful and B+LNZ is looking forward to building on that.

More information at www.beeflambnz.com/Awards



RED MEAT SECTOR CONFERENCE

Planning is well underway for the Red Meat Sector Conference, which will be taking place in Auckland on 6-7 August.

Under the theme of 'Driving Sustainability, Value and Growth', the Conference will take a hard look at the post-Covid world and consider how the red meat sector is going to navigate challenges and seize opportunities.

With a range of local and international expert speakers, covering everything from trade to climate, consumer insights to intergenerational shifts, it's got something for everyone. In recognition of the election year, this year's programme is a little different.

The Conference will kick off with Minister Damien O'Connor and the National Party's Todd McClay facing off on a political panel on the Sunday.

They'll be sharing their respective views on their joint portfolios of agriculture and trade and their vision for how Government can position the red meat sector for ongoing success. Attendees might even get a peek at their upcoming election pitches given that the panel will be happening just 10 weeks before Kiwis head to the polls. With political journalist Tova O'Brien moderating it will make for an entertaining session.

Make sure you register [here](#) so you don't miss out on this exciting event.



MEAT BUSINESS WOMEN NEW ZEALAND

B+LNZ Ltd, MIA and B+LNZ Inc are proud to be territory partners of Meat Business Women (MBW) and the network continues to go from strength to strength.

In December 2022, MBW NZ hosted a well-attended networking breakfast in Christchurch sponsored by ANZCO Foods with guest speaker Rachel Taulelei (Co-Founder OHO and ANZCO Foods Director).

Meat Business Women have planned a variety of in-person events. The first was a young leaders' panel in Christchurch on 19 June in conjunction with E-Tipu BOMA Conference.

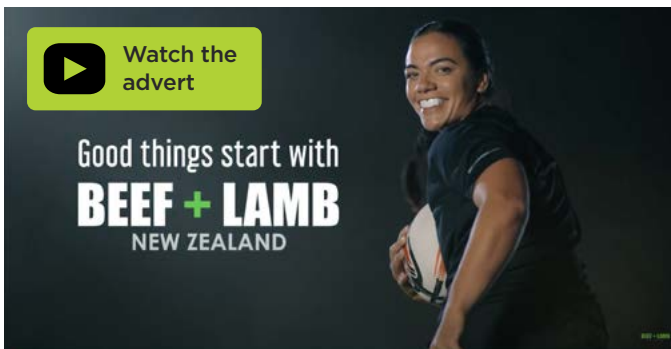
This is followed by a political panel in Wellington in July featuring Nicola Grigg (National Party) and Steph Lewis (Labour Party). [Click here](#) for more information and to register.

Lastly, MBW will be hosting their traditional pre-Red Meat Sector Conference lunch on Sunday 6 August in Auckland, with support from the Ministry of Primary Industries. Kiwi corporate titan and diversity champion Theresa Gattung is locked in as the keynote speaker, so ensure you [register here](#).

MBW gathered data for the next iteration of its Gender Report tracking gender representation across the industry globally, this time including ethnic data. The 2023 Gender Report was released in May 2023 on the [MBW website here](#).

Join the [NZ LinkedIn Group here](#).

If you or your organisation want to learn more about MBW and how you can get involved, please get in touch with MBW NZ Chair Abigail Delaney [here](#).



GOOD THINGS START WITH NEW ZEALAND BEEF AND LAMB CAMPAIGN

A new campaign supported by B+LNZ Inc, B+LNZ Ltd and the MIA, has been launched.

The *Good Things Start with New Zealand Beef and Lamb* campaign runs across television, print, and digital media.

This is more than an advertisement – it’s a homage to our superior product and its integral role in fostering family bonds and promoting beef and lamb’s nutritional benefits.

The campaign is personified by Black Ferns’ rugby sensation, Stacey Waaka, reflecting the vibrant, healthful lifestyle epitomised by New Zealand beef and lamb.

Our mission extends beyond increasing consumption frequency – we aim to foster a deeper sense of pride among Kiwis. By showcasing a world and Olympic champion’s success in parallel with our sector’s achievements, we pave the way for discussions surrounding environmental impact, animal welfare, and health and nutrition.

Initial responses to the campaign have been overwhelmingly positive, suggesting promising prospects for a campaign designed to stand the test of time.



OPEN FARMS 2023

The recently held [Open Farms Day](#) achieved its highest visitor turnout with 3,680 Kiwis stepping foot on a farm in March 2023.

Despite having the lowest number of hosts due to Cyclone Gabrielle and other external factors, the event had a 35 percent lift in visitors compared to 2021.

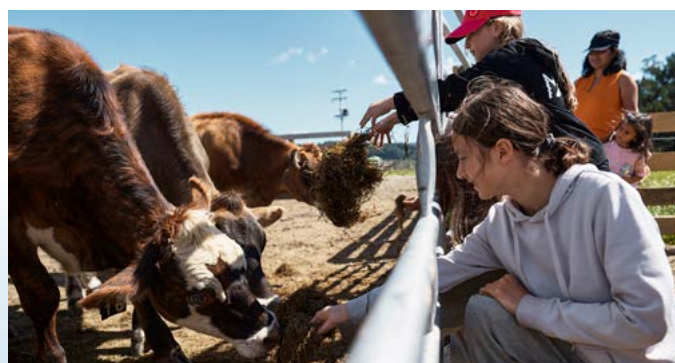
Feedback from both visitors and hosts was positive; 93 percent of visitors said they would visit again next year, and 87 percent of hosts said they would host again.

One of the event’s aims is to bridge the gap between urban and rural New Zealanders.

By tracking perception change across the three events previously held, feedback showed a significant positive change in perception about farming.

Read more about the 2023 event on B+LNZ’s website [here](#) and [here](#).

B+LNZ has supported Open Farms since its inception and is excited to see urban Kiwis interested in understanding NZ farming.



B+LNZ LTD GOVERNANCE UPDATE

The following is a list of main changes to the Board:

Kate Acland - Chair of the Board

Kate Acland has been appointed Chair of the B+LNZ Board.

Acland, who is B+LNZ's first female Chair, was elected by the Board at the conclusion of B+LNZ's annual meeting in New Plymouth in March.



Previous Chairman Andrew Morrison's term as a B+LNZ director concluded at the end of the meeting.

Morrison was thanked for his contribution at the annual meeting, with Acland noting his mana and leadership, and his significant service to the industry over the last nine years.

Geoffrey Young - Southern South Island director

Southland sheep and beef farmer Geoffrey Young has been elected to B+LNZ Board. Young received 8,777 weighted votes while incumbent director and chair Andrew Morrison received 6,587 votes in the Southern South Island director election.



Patrick Crawshaw - Eastern North Island director

In May Pātoka sheep and beef farmer Patrick Crawshaw was elected to the Board B+LNZ as the Eastern North Island farmer director.



The election was originally part of the 2023 B+LNZ annual meeting process but was delayed due to the significant disruption caused by Cyclone Gabrielle in the region.

Crawshaw received 4,305 votes, which represented 32.76 percent of votes received. Paul Crick received 3,397 votes (or 25.85 percent), Jenny Boyne received 2,786 votes (or 21.2 percent) and Sandra Matthews received 2,356 votes (or 17.93 percent).

Closer governance

Continuing the commitment to work closely together, B+LNZ and the MIA have continued the practice of giving each organisation a seat at their respective governance tables.

ANZCO Foods Ltd Chief Executive will serve as the processor-exporter appointee on the B+LNZ board, and farm owner and agri-business director Nicky Hyslop will be the appointee on the MIA Council.

Through his recent appointment as Chief Executive of Alliance Group Ltd, Willie Wiese has also joined the MIA Council, replacing David Surveyor.

NEW ZEALAND MEAT BOARD UPDATE

Kate Acland was also appointed Chair of the New Zealand Meat Board (NZMB) in April.

The Board oversees \$2.3 billion of red meat exports to the quota markets of the European Union, UK and the US, a function that is to expand further into administering the Free Trade Agreements (FTA) quotas between the UK and New Zealand.

Another important responsibility of the Board is managing the farmer livestock reserves, the 'rainy day' contingency fund, which would help New Zealand to re-enter export markets following a biosecurity incursion or disruption to quota markets.

The fund currently stands at \$77 million and NZMB is responsible for managing that prudently and channeling the interest from the reserves into funding industry-good projects.

Following its Annual Meeting, the NZMB also announced it is to continue supporting the Informing New Zealand Beef genetics programme by providing up to \$1.4 million for the project after concluding consultation with farmers.

More than 620 responses were received and 68 percent supported NZMB continuing to back INZB.

PASTURE RAISED ADVANTAGE OF RED MEAT

The latest results from the Pasture Raised Advantage nutritional research programme continue to support broader understanding of the role of lean red meat as a central part of a healthy diet.

Published in the academic journal *Foods*, the latest study compared the digestibility of protein and fat components between pasture-raised and grain-finished beef using an in vitro oral-gastro-small intestinal digestion model.

Using commonly used tenderloin and striploin products, the research found that while there were no substantial differences in terms of protein digestibility, the pasture-raised cuts released significantly higher total amounts of Omega-3 fatty acids and lower amounts of many free saturated fatty acids than those from grain-finished animals.

The results suggest greater health benefits from consuming pasture-raised beef, particularly tenderloin. The study can be accessed [here](#).

This builds on previous Pasture Raised Advantage peer-reviewed human clinical trial research that showed red meat is a better source of protein than processed plant-based alternatives.



ENVIRONMENT

The environment has continued to be a major focus. B+LNZ and the MIA are deeply concerned by the scale and pace of environmental policy change and the cumulative economic impact on sheep and beef farmers. This has led to some poorly crafted rules. We are calling for pragmatic policy and regulatory settings.

AGRICULTURAL EMISSIONS PRICING

The top issue worrying farmers at present is the impact of agricultural emissions pricing. Modelling released by MPI in October last year indicated that sheep and beef production could fall by 20 percent by 2030 as a result of the combination of afforestation and emissions pricing. This was consistent with modelling that B+LNZ has done.

Since then, farmers have been making their concerns known to B+LNZ, including through a number of remits at the recent annual meeting in March. Particular concerns have been raised about the potential for a disproportionate impact on sheep and beef farmers.

Farmers were split on whether B+LNZ should exit He Waka Eke Noa, with 48.85 percent supporting leaving and 44.29 percent voting against leaving, with 6.86 percent abstaining. Support for a remit that proposed a different pricing mechanism, at 66.02 percent, showed that farmers want a better approach to agricultural pricing.

In March, B+LNZ called for a slowdown in the pricing of emissions as it is clear there are significant issues that need to be resolved to ensure we bring our farmers with us. B+LNZ and MIA called for staged implementation, focusing first on getting a robust measurement and reporting system in place and not introducing pricing until issues like sequestration, governance, emissions leakage, equity and science-based targets were resolved and there were mitigations in place.

B+LNZ is currently undertaking woolshed meetings with farmers to listen to their concerns as we consider next steps. We won't accept a system that disproportionately affects sheep and beef farmers or threatens their viability.



NPS BIODIVERSITY

B+LNZ continues to call for a pause on the National Policy Statement on Indigenous Biodiversity (NPSIB) and for its requirements to be reviewed.

Farmers are overwhelmed by the pace of change on freshwater and climate change and the cumulative social and economic impact of these policies.

While biodiversity is important, B+LNZ is very concerned about the potential impacts of the proposed policies and is calling for the process to be paused and for the Government to further engage with the sector.

A key concern is that the criteria for identifying Significant Natural Areas (SNAs) is too broad.

SNAs have the potential to seriously impact what farmers can do on their land, with huge swathes of farmland covered in native biodiversity. The current criteria would currently capture most biodiversity on a farm, rather than the truly 'significant' areas.

The NPSIB must also clearly articulate the ability for existing pastoral use to continue and provide for flexibility within farming systems in relation to existing use.

Farmers are justifiably concerned about the very real prospect they'll inadvertently be penalised for their hard work planting and protecting areas of native biodiversity when they're no longer able to make decisions about the ongoing use of those areas.

We want to give farmers the ability to integrate indigenous biodiversity within their pastoral systems and to be recognised for the benefits existing habitats on farm provide, as well as to be rewarded for their work to protect native species. Policies should ensure that biodiversity is an asset for farmers, not a liability.

METHANE TARGETS

The red meat sector is continuing to advocate for a review of the methane targets in legislation. It's vital the Government gets the targets right if they are going to price emissions.

We do not agree with the methane targets in the Climate Change Response Act (currently to reduce methane emissions by 10 percent by 2030 and by 24-47 percent by 2050) based on the science of methane's impact on warming.

B+LNZ is working with Federated Farmers and DairyNZ to get the targets reviewed using the latest science – this is due to happen in 2024. The targets must be reviewed based on a warming approach, to make it clear what is being asked of each part of the economy, and to ensure it's fair.

The Government also needs to start to report on warming annually, as well as emissions, so New Zealanders can understand the difference between the warming impact of short-lived gases compared to long-lived gases.

B+LNZ is also working hard to build understanding around the warming impact of methane and the GWP* metric.

In March, B+LNZ funded internationally renowned greenhouse gas science communicator Dr Frank Mitloehner's visit to New Zealand. Dr Mitloehner is a professor in the Department of Animal Science at the University California, Davis.

During his time in New Zealand, Dr Mitloehner gave public lectures at Lincoln and Victoria Universities. He also met with policy and thought leaders, MPs and New Zealand scientists involved in technologies to reduce emissions and gave a number of media interviews supporting our calls for a review of the methane targets.

SECTOR PROGRESS ON CLIMATE MILESTONES

In parallel, considerable work has been undertaken to meet the wider He Waka Eke Noa milestones, reinforcing the sector's commitment to playing its role in tackling climate change.

Working closely with processing companies across the country, B+LNZ has been supporting thousands of farmers to know their greenhouse gas (GHG) numbers, understand the implications of emissions pricing and develop emissions management plans.

More than 300 GHG Calculator and Action Plan workshops have been delivered, many in partnership with the meat processing companies.

As a result of this and other activity, more than 8,900 sheep and beef farmers now know their emissions numbers, which represents approximately 97 percent of the commercial sheep and beef farmers in New Zealand.

These workshops are world-leading – we are not aware of anything on this scale in any other country.

CARBON FARMING

Carbon farming remains one of our farmers' top concerns. B+LNZ (and farmers) are not anti-forestry and they see significant opportunities for the integration of trees within farms.

The key concern is the scale and pace of whole farms being sold to convert into forestry driven by the carbon price. While offsetting absolutely has a role to play in meeting New Zealand's international commitments, too much is happening.

Research that we [released in May](#), highlighted that New Zealand is an outlier internationally in allowing fossil fuel emitters to offset 100 percent of their GHG emissions by planting trees.

The [International emissions trading schemes and forestry report](#) found that New Zealand and Kazakhstan are the only countries that allow 100 percent offsetting in their carbon pricing mechanism. The European Union and the UK, for example, do not allow any carbon offsetting, while China, South Korea, and US states Washington, North Carolina and California only allow for five percent.

There is unanimous agreement among the Climate Change Commission, environmental NGOs and farmers that New Zealand urgently needs to introduce limits on forestry offsets within the ETS, otherwise there is a risk that the ETS could collapse in the 2030s.

In the last few weeks there has been some movement on this by the Government. They have put forward some concrete proposals on reform of the ETS that we need to study closely and discuss with farmers.

The consultation document also included proposals to improve the recognition of on-farm sequestration both in terms of widening the types of sequestration that would be rewarded (such as pre1990 natives), but also potentially paying more than just the "additional" sequestration stored to take into account wider environmental benefits.

This is a very complicated area. We need to find a balance between allowing offsets, but ensuring that this does not just come at the expense of rural communities.





SLASH INQUIRY

Overall, B+LNZ welcomed the report by the *Ministerial Inquiry into the impacts of woody debris (including forestry slash) and sediment in the Tairāwhiti/Gisborne and Wairoa Districts*.

The report highlights the challenges of land management in the erosion-prone East Coast region and supports many of the issues that B+LNZ, Federated Farmers and farmers have been raising concerns about.

Key findings/recommendations we support include:

- the critical need for better management of forestry and carbon-only related forestry in the region
- recognition that the current ETS policy settings and rising carbon price is incentivising afforestation, creating perverse land-use outcomes with damaging outcomes for communities, and that elements of the ETS urgently need to be reviewed
- the need for better recognition of the carbon stored in older native forests (pre-1990)
- the lack of current standards/rules controlling the management and location of permanent exotic monoculture carbon forests
- the need for a review of the Overseas Investors approval criteria and in particular reviewing the approval of the sale of Huiarua and Matanui stations.

There are some areas where we need more information to better understand the implications of what is being proposed. We need to understand what is practically meant by the proposal for an integrated approach to land-use to manage highly erodible gullies through the planting of permanent native vegetation. We would be concerned at the prospect of any large-scale retirement of productive hill country farmland under any rezoning programme.

It's important that any process does not impose a blunt one-size-fits-all approach. We need a smart and strategic approach that recognises the varying land-classes and topographical variations within farms.

Given the potential implications of this report to pastoral farming, it is vital the sheep and beef sector is involved in the Government's consideration of the recommendations and has a seat at the table before any decisions are made.

FRESHWATER

There have been several developments to note in relation to freshwater regulation and policy.

Low-slope map for stock exclusion

B+LNZ remains very concerned about the low slope map for stock exclusion.

While the revised map released in December 2022 had some improvements, it still contained many inaccuracies, and did not allow for regional variance, such as low stocked extensive farms with negligible impact on water quality.

We are therefore pleased that the Government has recently launched a new consultation on ways to fix these issues.

Freshwater farm plans (FWFPs)

In the last few weeks the Government has released information about the mandatory freshwater farm plan regulations that will apply to all farms over 20 hectares.

We're working with other industry groups like Federated Farmers to seek clarification from the Government on how this will work, but we have a number of significant concerns.

While we value the role farm plans play in managing freshwater health and have been encouraging farmers to have active farm environment plans, we're concerned about the following:

- We do not believe all farmers (including very small or very extensive operations) should need to do a mandatory plan. The focus should be on at-risk catchments and the most at-risk activities.
- We also want existing industry plans, or other plans, to be recognised as equivalent so farmers don't have to do the same thing twice.
- While efforts have been made to make the Government's plans outcomes-based, they are still prescriptive, and we believe the two-step certification and auditing process will cost a lot more than the Government is estimating.
- We also have serious questions about the availability of appropriately skilled people to certify and audit 35,000 farm plans by 2028, and believe the timeframes need to be longer.

Based on preliminary discussions with the Government there appears to be a willingness to address some of these concerns. This has significant implications for farmers so it is important we get this right and we hope it will be possible to work through these issues quickly and fix them.

SOUTHLAND APPEAL

In December 2022, the Environment Court released a decision relating to the Southland Proposed Land and Water Plan, which has significant potential national implications for farm discharges and consent requirements.

The decision stated that Regional Councils cannot include a permitted activity rule for agricultural activities and associated diffuse discharges of contaminants in catchments that do not meet the national bottom lines for ecosystem health targets.

This finding has significant implications for the sector and could prevent Councils from including permitted activity rules for agriculture in catchments that are considered degraded.

B+LNZ, Federated Farmers and other industry groups are very concerned about this, both in terms of substance but also as a precedent. We will be collaborating closely with Federated Farmers on this case. Federated Farmers will take the lead on appealing this decision in the High Court and B+LNZ will provide financial support to them to ensure that there is close sector alignment.

RMA REFORM

In principle, B+LNZ agrees the RMA needs to be reformed to improve efficiency and effectiveness. The current reform proposals will, however, lead to more issues rather than making things better.

Critical information about the bills is missing and the Government did not allow enough time for adequate assessment of and feedback on the bills.

This is another example of the Government trying to do too much, too fast.

The Government needs to hit pause, withdraw the current bills and work with organisations like ours to revise them to ensure everyone gets the best outcomes.

Specific sheep and beef farming-specific concerns include:

- the introduction of a lot of new language and concepts that will lead to years of additional legal processes to define
- the amount of responsibility and power the Minister for the Environment and central government will have
- the change in district and regional council plan making to regionalised committees and the impact this may have on rural representation in the process.

B+LNZ made a [written submission to the consultation](#) on the reform proposals and presented to the Environment Select Committee.

At the time of writing, it is understood that the Government intends to progress the Bills prior to the upcoming election, and that a draft National Planning Framework will be notified soon after (potentially later in 2023) with the Climate Adaption Act to follow.

B+LNZ'S CATCHMENT COMMUNITY GROUP PROGRAMME

B+LNZ's Catchment Community Group programme continues to support farmers in taking a leadership role to establish and run catchment groups.

We work closely with catchment groups to run workshops across the country including on B+LNZ Farm Planning and B+LNZ Greenhouse Gas Calculator workshops.

Another way B+LNZ supports catchment community groups, is through helping profile their work in B+LNZ's weekly e-newsletter that goes to nearly 25,000 subscribers.

We worked with the Waimatā Catchment Restoration Project [on this story](#) that demonstrates how the group continues to make a visible improvement to the health of the Waimatā River and biodiversity in the wider community.



B+LNZ FARM PLANNING

B+LNZ continues to provide updated farm planning resources, enabling farmers to document, understand and optimise their farms' natural resources.

B+LNZ farm plans also help upskill farmers to take advantage of consumer assurance programmes like NZFAP Plus. Meat processors and B+LNZ actively work together to ensure farm plans meet the requirements of farmers and the consumer. The modular approach to farm planning offered by B+LNZ enables farmers to focus on those aspects of most importance to their business at the time.

B+LNZ believes farm plans are an important tool to help farmers meet a wide range of farming business requirements and we offer practical, hands-on workshops along with technical resources through the B+LNZ website, to support farmer-learning and documentation of farm plans. More information about B+LNZ's farm planning is available at www.beeflambnz.com/farmplan.



We also profiled the North Otago Sustainable Land Management (NOSLAM) group's field day [here](#) where they hosted Year 11 students from all of Oamaru's three high schools. This was picked up by [Rural News](#).

If you would like help in profiling what your group is doing, please contact B+LNZ's Communications Advisor [here](#).

Learn more about B+LNZ's Catchment Community programme [here](#).



GLOBAL TRADE

The red meat sector continues to perform well, with export receipts in 2022 at almost \$12 billion. These results demonstrate the sector's resilience and highlight the strong global demand for safe, natural, high-quality red meat. Free Trade Agreements (FTAs) with the UK and EU will see 73 percent of the sector's trade covered by FTAs. We are also focused on resolving non-tariff barriers and continuing to negotiate improved access with trade partners.

MARKET UPDATE

Red meat sector exports experienced some early headwinds in 2023, continuing the price softening trend that started in late 2022.

This has somewhat offset the welcome news that China had ended its strict Zero-Covid policy and was looking to reconnect with the global economy. This is largely because the re-engagement of the Chinese market took place as the global economy started to cool amid ongoing efforts by central bankers to tame inflation with higher interest rates.

This has put pressure on red meat prices in the first quarter of the year, with headline declines of 7 percent, 18 percent, and 4 percent respectively across January, February, and March compared to the previous year.

So far the decline looks to represent more of a moderation to more normalised price from the record levels seen in 2022, which drew in \$11.4 billion in export earnings. However, that is small comfort for processors and farmers who are currently experiencing margin squeeze by high input costs, tight labour markets, and high debt servicing costs. Both MIA and B+LNZ will be monitoring these developments closely.

CONSUMER OUTLOOK FOR RED MEAT

Amid early signs of some market softening in 2023, the latest OECD-FAO Agricultural Outlook 2022-2031 points to some green shoots for the red meat sector over the next decade, albeit with ongoing shifts in consumption patterns.

According to the latest economic forecasts, demand for animal protein is expected to continue to grow in low and middle-income countries, spurred by population and GDP growth. Global population growth in particular is seen as the strongest driver of protein consumption in emerging markets and the report projects this to increase by 11 percent over the next decade. This growth will offset the emerging consumer trend towards protein source diversification seen in higher-income countries over the period.

Factoring in the higher earnings in low- and middle-income countries, it is forecast that by 2031 global meat consumption will increase by 15 percent, of which red meat

consumption will increase by 6.8 percent. In actual tonnage, global consumption of beef and sheepmeat is projected to increase to 76 million tonnes and 10 million tonnes respectively over the forecast period.

The report, which can be found [here](#), is a collaborative effort between the OECD and FAO, and is prepared with inputs from member countries and international commodity organisations to explore the economic and social trends driving the global agri-food sector.

FREE TRADE AGREEMENTS (FTA)

FTAs and trade discussions are firmly back on the global agenda in the post-Covid operating environment.

UK and EU FTAs

The red meat sector welcomed the ratification of New Zealand's FTA with the United Kingdom in May, which came into force on 31 May, as it provides significant benefits for the sector.

To recap, in the first year of the FTA New Zealand will have a duty-free beef quota of 12,000 tonnes, significantly more than our current access.

This will increase to 38,820 tonnes in year ten, after which beef exports will be tariff-free, although there will be a safeguard mechanism in place from years 11-15.

Based on 2021/22 export volumes, the potential tariff savings in the first year will range from NZ\$2-5 million, which is a significant tariff saving for a relatively small export volume

In contrast, the benefits of the EU FTA are less clear to the red meat sector, as they provide only modest improvements on the status quo, particularly for beef exports.

It is also likely to be some years before this legislation is passed by the EU due to the pace and complexity of their legislative processes.

Regional trade deals progress

The red meat sector also celebrated the news that the UK has been accepted into the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

The addition of another major economy into the bloc of 11 countries (including New Zealand), proved the high-quality and expandable free trade framework model, and makes membership more valuable.

Likewise, the Indo-Pacific Economic Framework (IPEF) continues to progress and is something being monitored closely. While not a traditional trade agreement, IPEF has the potential to reduce non-tariff barriers that add significant cost to cross border trade.

The re-emergence of a possible FTA with India in the public discourse is also welcome, even if progress towards this goal is still in its infancy.

One way to advance this is to engage with this market through groups such as the New Zealand International Business Forum and the NZ-India Business Council. MIA and B+LNZ are exploring channels through which to do this.

CHINA

As New Zealand's biggest export market for red meat products, the announcement that China was ending its strict Zero-Covid pandemic controls at the end of 2022 was welcome news for the sector. Unfortunately, that emergence hasn't translated into higher demand for red meat due to global economic headwinds.

Nevertheless, the return of 1.4 billion consumers to the global economy is positive for our sector over the medium and long term. Looking through the immediate volatility of China's post-Covid re-emergence, the MIA is focused on reconnecting and re-establishing relations with counterparts in-market as soon as possible.

To that end, MIA CEO Sirma Karapeeva recently participated in a New Zealand China Council's high-level mission to China, with an aim to meet a range of diplomats, businesses, and observe the country's consumers and retail sector in action.



The picture that emerged from this visit suggests China is shrugging off the malaise of the Covid years rapidly. The country's status as the world's factory is set to deliver an economic growth rate of 5 percent for 2023, a conservative estimate with room for upside revision.

However, the China that is re-emerging onto the world stage is not the same one seen in 2019.

Consumer behaviour changed dramatically in the lockdowns, and the role of online/offline platforms and digital marketing has evolved considerably. Younger consumers are increasingly looking for localised products from local companies, with health benefits and quality attributes no longer sufficient on their own to sway purchasing decisions.

Helpfully, the view of New Zealand and our pasture raised protein is still very positive, with top Chinese chefs promoting the role of protein for good health and wellbeing. China's aging population is opening up new opportunities to develop and target products and brands to the growing cohort of older people.

The MIA will also lead an in-country technical delegation visit to China in September to progress export meat hygiene requirements, and in November MIA Chair Nathan Guy will lead a senior-level delegation of MIA members to participate in the China International Import Expo.

CHINA INTERNATIONAL MEAT INDUSTRY EXHIBITION 2023 (CIMIE23)

The MIA and China Meat Industry Association also hosted a joint technical seminar in April at the 20th China International Meat Industry Exhibition 2023 (CIMIE23), the first time this event has happened since 2019. The seminar was an opportunity to hear from both Chinese and New Zealand experts on a range of technical matters ranging from regulatory design and standards setting to meat grading and classification programmes, all broadly focused on increasing the ease of trade with our biggest export market.

The event, which was supported by New Zealand Trade and Enterprise, was well-timed amid the growing interest from processors in re-engaging directly with China now that the country's Zero-Covid policy has ended. That was reflected on the day, with more than 80 New Zealand participants dialling into the presentations, and the event was positively received on both the New Zealand and China sides.

TASTE PURE NATURE

The Taste Pure Nature brand marketing campaign continues to go from strength to strength, building awareness and aspiration to buy New Zealand beef and lamb in key markets. Since the start of the campaign in 2019, B+LNZ has been tracking its performance in the US and China to benchmark its performance.

[Read the latest quarterly report](#) here.

US ACTIVITY

In the US, the Taste Pure Nature campaign continues to deliver key messages on New Zealand's unique grass-fed farming systems and products. This includes differentiators around taste, nutrition, and our environmental position.

B+LNZ's tracking shows Californian Conscious Foodies' desire to buy New Zealand beef and lamb is up 16 percent and 15 percent respectively compared to 2019, whilst awareness of our unique grass-fed origin story has also climbed to 61 percent, up 18 percent since 2019.





Supporting this growth was a highly successful Food Truck Tour which ran late last year in partnership with Atkins Ranch, First Light Farms and chef Alvin Cailan, where more than 15,000 samples of NZ grass-fed beef and lamb were given to consumers at 18 high-traffic locations across Los Angeles.

The online and offline marketing campaign linked to the Food Truck Tour received more than 246 million views, with more than 25 percent of Conscious Foodies surveyed saying they had visited the food truck.

In the lead-up to Christmas, B+LNZ ran a holiday-themed digital marketing campaign to encourage New Zealand grass-fed beef and lamb onto the American festive table setting. The campaign resulted in more than 10.6 million views and 44,000 clicks to the website where consumers could learn more about our exporters products and where to buy.

B+LNZ is also working with Triple Pundit – a professional digital content platform – to elevate New Zealand’s sustainability position and garner media coverage among a global audience of environmental, social and corporate governance stakeholders. The first two articles are now live and can be read [here](#).

Looking forward, B+LNZ is launching its influencer program on social media in June and will be working with Atkins Ranch, Silver Fern Farms and First Light Farms to reach more Conscious Foodies with a mix of recipe, nutrition and educational content.

CHINA ACTIVITY

The Taste Pure Nature marketing campaign in China continues to drive positive results.

B+LNZ’s tracking shows awareness of New Zealand’s unique grass-fed farming systems remains high at 81 percent, and there has been a significant lift in consumers’ recall of the Taste Pure Nature campaign (up 13 percent in Oct-Jan 2023) – who state the campaign strongly influences their consideration, likelihood and recommendation to buy New Zealand beef and lamb.

The top motivators for meat consumption in China remain quality, taste, trust and safety - with New Zealand beef and lamb ranking highly on all aspects with excellent perceived value overall.

‘From New Zealand, Naturally Good’ was a three-month brand marketing campaign that ran from October to December 2022 across key Chinese social media platforms, including WeChat and Little Red Book.

Designed to build awareness and aspiration to buy New Zealand grass-fed beef and lamb, B+LNZ worked with Alliance and Silver Fern Farms on this campaign to generate more than 2.3 million [video views](#) and 855,00 engagements. The exporters had more than 3.7 million

people discover their brand through a mix of paid advertising, social and influencer content.

Taste Pure Nature continues to build its social media presence in China, given it’s a key platform for reaching and communicating with consumers.

Since relaunching in September 2022, its WeChat account has added more than 3,000 new followers and increased content readership by 55 percent. A content strategy refresh on Little Red Book has also resulted in a 360 percent increase in monthly engagement.

Another key focus for this year’s Chinese marketing program is to leverage traditional holidays and seasonal festivities to encourage NZ grass-fed beef and lamb into more consumption occasions.



In January this year, B+LNZ launched a Chinese New Year campaign in partnership with Alliance and Silver Fern Farms, on the largest Chinese recipe app ‘Go Kitchen’. The campaign involved an online cooking competition and encouraged app users to try New Zealand grass-fed beef and lamb in their Chinese New Year cooking. In just three weeks, the campaign generated more than 22 million impressions and 299,000 website clicks where consumers could learn more about our exporters’ products and find where to buy.



B+LNZ has also recently launched a WeChat Mini App Program, essentially a Taste Pure Nature ‘mini-website’ where consumers can learn more about the New Zealand origin story, our exporters’ brands and products, and where to buy. This website will act as a key navigation point for future marketing campaigns. B+LNZ is now focused on launching its third seasonal campaign for the year in line with the Summer Solstice (June) as well as testing some innovative NPD with export and channel partners in China to build on the success of last year’s Pure Box Vending Machine.





INNOVATION AND RESEARCH

The sector is continuing to invest heavily in research and development.

MEAT INNOVATION WORKSHOP

In March, the MIA teamed up with AgResearch to run the annual Meat Innovation Workshop. Held in Palmerston North annually, this well-established event is a forum for exchanging ideas and scientific developments amongst meat industry professionals and scientists.

Dozens of researchers and innovation-minded people attended, representing industry, academia and government, over the two days.

The workshop was broken into five sessions, considering research outcomes and opportunities in Food Safety, Technology, Benefits of Meat, Environment & Sustainability, and Communities.

The workshop focused on the innovation stalwarts of automation, robotics and virtual reality in processing plants, and further explored the emerging scientific evidence supporting the inclusion of red meat in a healthy diet.

This year's workshop also took a broader view of the role science and technology play in further minimising our sector's impact on the environment and communities. Thanks are due to the Central Economic Development Agency for supporting this important annual event.



TOMORROW PROGRAMME

MIA continues to progress the Tomorrow Programme by seeking co-investment from the Government as part of the Sustainable Food and Fibre Fund.

The three strategic initiatives proposed in the plan include developing a hands-off meat inspection technology platform using artificial intelligence; further investigating the scientific benefits of red meat as an essential part of a healthy diet; and assessing the feasibility of using enzymes to process plastic waste on-plant that would otherwise end up in a landfill.

The aim of this work is to speed up the adoption of new technology in the processing industry by making proven platforms available to all companies. If successful, these initiatives are likely to be vital contributors to the ongoing drive to increase the premium value of New Zealand's red meat products in international markets.

DEVELOPING A LABORATORY-BASED FE TOLERANCE TEST FOR SHEEP

Work to develop a high-throughput, low-cost Facial Eczema (FE) tolerance test for sheep is well underway. If the research continues to be successful, a commercial test is anticipated to be available by the end of this year.

Initiated and funded by B+LNZ in 2020, the organisation's research team is working with AgResearch's Chief Scientist Dr Axel Heiser to develop the new test for farmers.

Phase 1 was to ensure it was possible to test for sporidesmin toxicity (the fungus associated with FE) in the laboratory rather than exposing an animal to the toxin.

Phases 2 and 3 were to identify and refine the biomarkers for FE tolerance or susceptibility for use in a commercial diagnostic test. This meant comparing biomarkers in three groups of animals; FE susceptible and tolerant sheep (as determined by the traditional Ramguard test) and naïve sheep that have never knowingly been exposed to sporidesmin or selected for FE tolerance using Ramguard.

Work is now progressing to phase 4 which is focused on adapting the test to improve through-put efficiencies, making the development of a diagnostic test more feasible.

Work is also underway to validate the test in commercial laboratories before a test can be ready for farmers to start testing their animals.



B+LNZ GENETICS

Sheep genetics update

Sheep Progeny Test

The Central Progeny Test (CPT) flocks at both the Glenside and Invermay Hub sites were artificially inseminated in April. The purpose of the CPT is to connect flocks across breeds (which wouldn't happen naturally in industry) and underpin New Zealand's large scale across-flock genetic evaluation.

Low Input Sheep Progeny Test

B+LNZ Genetics hosted a final field day for the Low Input Sheep Progeny Test in November. The project successfully highlighted the role genetics can play in a sheep's ability to perform with minimal inputs in a challenging environment.

Making low methane rams available

B+LNZ Genetics continued the ground-breaking work to ensure low methane rams are available to New Zealand's sheep farmers.

Building on the work of the PGgRc with AgResearch, B+LNZ Genetics has expanded the pilot project to include 18 leading sheep breeders. They have measured the methane and carbon dioxide production from their animals and now have breeding values for lower methane production.

Cool Sheep Programme

Last year, B+LNZ announced the Government's co-investment in a three-year low methane sheep genetics project - 'The Cool Sheep Programme'. It aims to use genetic selection to accelerate the uptake of low methane sheep among commercial farmers and reduce GHG emissions within the New Zealand flock. The Cool Sheep Programme's objective is to offer every sheep farmer access to low methane genetics, help them understand the genetic merit of their flock for low methane traits and ensure they are rewarded for breeding towards lower methane genetics. The programme will achieve this by supporting breeders to measure and select low methane rams, capture the reductions in on-farm GHG calculators and ensure the data counts towards New Zealand's overall GHG reductions. The project is well underway with a minimum of 5000 stud sheep being measured on farm annually.

Beef genetics update

Dairy Beef Progeny Test

The Dairy Beef Progeny Test (DBPT) is now into its eighth year at Pāmu's Renown farm in Taupo. Last spring's AI programme used genetics from seven breeds represented across 18 bulls: Akauishi Wagyu, Angus, Charolais, Hereford, Murray Grey, Shorthorn and Stabilizer.

Recent farm modelling carried out on the outcomes of the DBPT highlighted the value of using top-ranked and proven beef bulls versus average beef bulls across dairy herds. It also identified the opportunity for dairy and beef farmers to work together for mutual advantage.

Informing New Zealand Beef programme super-charging the beef sector

The ground-breaking Informing New Zealand Beef (INZB) programme is now entering the third year of its mission to give breeders and farmers genetic tools to help produce great tasting beef and drive production efficiency.

This seven-year partnership, supported by B+LNZ, the NZMB and MPI's Sustainable Food and Fibre Futures fund, aims to boost the sector's profits by \$460 million over the next 25 years. The research programmes are now getting well underway.

Focused on increasing uptake of the use of high-quality genetics in the beef industry, the five main components of the programme are:

- developing New Zealand-specific breeding indexes
- building an across breed genetic evaluation and data infrastructure
- running a beef progeny test
- linking in data from commercial herds
- developing an extension programme to help drive uptake of the genetic tools produced as part of the project.

In December, AI was undertaken at Kepler Station near Te Anau, which along with Lochinver Station near Taupo in the North Island, is one of two INZB Beef Progeny Test sites.

This saw 405 cows inseminated to Hereford and Angus bulls. Sires included 13 bulls selected from Angus and Hereford breeders countrywide, an international Angus bull and link sires used in the 2021 mating. Semen from these bulls was also used at Lochinver in January, alongside four Simmental bulls.



The programme's second cohort of Kepler AI-sired calves, born in late 2022, have been weighed, tagged and DNA-sampled at marking.

Meanwhile, the programme is continuing to bring commercial farmers onboard.

Twenty-two commercial farmers are now taking part in the programme. They are providing accurate pedigree recording, assessing bull teams' performances, ensuring accurate information for heifer replacement selection and work with their bull breeders to make more rapid genetic progress. The farmers are also able to benchmark their herd against others involved in the programme.

In April, almost 100 people attended a Beef Progeny Test field day at Kepler Farm to see the programme in action and learn more about better beef breeding.



The recently released Better Beef Breeding online learning module is available on B+LNZ's Knowledge Hub. This interactive module steps farmers through establishing clear breeding objectives and provides an overview of breeding traits and their importance.

For more information, visit the [INZB website](#).

FUTURE FARM WRAPS UP

As the gate closed on B+LNZ's Future Farm Lanercost, a final field day was held in early March to summarise what had been achieved over the farm's five-year tenure.

The philosophy behind the Future Farm was for it to be used as testing-ground for new technologies and farm systems and take risks that commercial farmers would not be prepared to take.

While changing priorities within B+LNZ meant the organisation chose to finish the lease on the 1310ha hill country farm near Parnassus in North Canterbury on 31 March, the farm had been used as a testing-ground for several technologies. These included low methane sheep genetics, the use of AI to make rapid genetic gain in a commercial sheep flock, B+LNZ's Farm Plan, adaptive cropping in an increasingly regulatory environment, greenhouse gas modelling to reduce emissions and dealing with parasite resistance.



HILL COUNTRY FUTURES PROGRAMME WRAPPING UP

The five-year Hill Country Futures Partnership programme, co-funded by B+LNZ, the Ministry of Business, Innovation and Employment, PGG Wrightson Seeds and RAGT New Zealand (formerly Seed Force New Zealand) is wrapping up this year.

The programme was focused on future-proofing the profitability, sustainability and well-being of New Zealand's hill country farmers, farm systems and rural communities.

A wide range of resources developed with farmer input for both farmers and rural professionals were produced. Resources include technical information and tools, as well as as easily accessible extension materials and tools.

Some of the key outputs are:

- [FarmSalus](#): a resource package that enables rural professionals to hold meaningful discussions with farmers about the issues that are important to them.
- [AgYields](#) National Database: a central repository for all pasture and crop yield data and growth rate information.
- models to help predict legume yield:
 - thermal time-based ([TGM](#)) model: developed to help farmers predict lucerne yields on their farms.
 - [APSIM-NextGen](#) lucerne model (available on the APSIM initiative repository in [GitHub](#)): developed to be used with lucerne/red clover to look at climate change scenarios, catchment run-off, and water quality issues.
- extension materials such as the [lucerne at Willesden farm](#) video series and the [Soil and Fertiliser](#) factsheet series.





PEOPLE AND CAPABILITY

Our sector is a major employer in New Zealand. Attraction and retention, and the health and safety of workers, are key issues.

B+LNZ'S PEOPLE AND TRAINING WORKSTREAM

B+LNZ invests in and supports growing, training and retaining people in our sector.

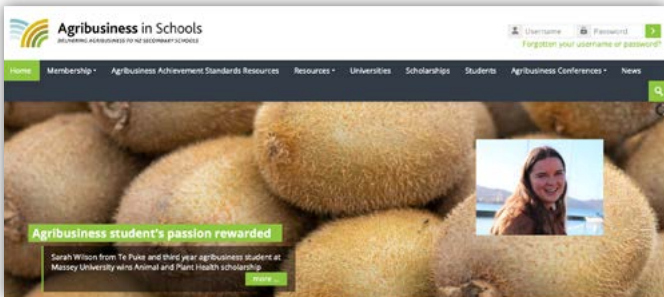
Collaboratively, we work with education and training providers to identify and meet skill development needs for the sheep and beef sector and support the development of leadership throughout rural communities to future proof the industry.

B+LNZ is a Principal Partner of the Agribusiness in Schools programme that recently [celebrated 10 years](#). The programme has had over 4000 students participate from 120 schools across NZ.



Another recent initiative B+LNZ supported was the annual [‘A Day in the Field’](#) event where over 100 Wairarapa high school students learned about the range of employment opportunities within agriculture.

For more information, [click here](#) or get in touch with B+LNZ's People and Training team via peopleandtraining@beeflambnz.com



MUKA TANGATA DEVELOPING PLANS TO MEET THE NEEDS OF OUR WORKFORCE

Muka Tangata, the People, Food and Fibre Workforce Development Council (WDC) is one of six WDCs established to provide industry and sector voice and advocacy within New Zealand's vocational education system.

The WDCs were set as part of the Reform of Vocational Education to create a unified and sustainable system that is fit for the future. Learn more about RoVE on the Tertiary Education Commission's website [here](#).

The WDC have worked with B+LNZ, and others in the industry, to develop a specific workforce development plan for sheep, beef and deer farming. You can read the first iteration [here](#) which includes a work programme to address both short and long-term challenges.





IMMIGRATION

Immigration continues to be an active policy area for the processing sector.

It has been good to see long-term migration numbers return to pre-Covid levels, with January international migration data showing a net gain of 33,200 people compared to the same month in 2022. Although a positive sign, this has yet to flow into labour markets, which remain tight for processors across much of the country.

The recent easing of immigration settings has provided some help through the accredited work visa pathway.

This is not without its difficulties, though, as a requirement of this pathway is that workers must be paid at the median hourly wage level. That wage is set by the Ministry for Business, Innovation and Employment, and over the past few years has risen from \$24.50/h to around \$29/h currently. As a result, processing companies have migrant workers performing the same job on materially different pay rates, which is proving problematic for companies and workers alike.

A real pinch point for processors has been filling lower skill roles that do not pay the median wage.

The sector agreement signed with the Government in August last year has provided some help, granting 320 entry-level work visas at a pay rate of \$24/h, but unless the acute shortages of entry-level workers can be filled there are fears that processors will not be able to run their plants at capacity, thereby leaving value on the table.

MIA SCHOLARSHIP PROGRAMME

MIA hosted a Day in Parliament for the group of students being supported through the MIA Scholarship programme.

The event saw various officials provide a deep dive into important policy areas for the red meat sector, including trade, environment, and innovation, and was capped off by an open discussion with Agriculture and Trade Minister Damien O'Connor.

Five young New Zealanders considering careers in the red meat processing and exporting sector were recently awarded MIA scholarships for the 2023 academic year.



Hayden Corbett, Stephanie Leamy, Cameron Walker, George Heenan and Holly Gray join eleven other MIA scholars in the current programme. Every year, the MIA awards \$5,000 to a number of undergraduates, and \$10,000 towards postgraduate scholarships.

Established in 2018, the scholar programme has evolved over time and now includes a mentoring programme and annual meetings in Wellington. The scholars gathered at Parliament recently as part of their educational journey for the programme, where they met Agriculture Minister Damien O'Connor along with key officials across trade, foreign affairs, and the environment, and had a tour of Parliament, including attending a legislative debate.

A total of 50 students were supported by the programme. Of those who have finished their studies and graduated, over half have moved into employment in the industry, either within meat companies or related agricultural roles.



Red Meat Report



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