

## **2007/08 NZDFA Chairman's Report, Bill Taylor**

Welcome Ladies and Gentlemen to Invercargill and this year's Deer Industry Conference and the NZDFA's 33<sup>rd</sup> Annual General Meeting.

The positive theme of this year's conference will I believe, set the trend for our Industry going forward. The difficulties brought about by the venison over production bubble are behind us and I look forward to an Industry working together to capitalise on the shift in supply versus demand.

### **Overview**

The last 12 months has provided its challenges through the high \$ exchange rate particularly against the \$USD, and the severe drought conditions experienced in most parts of the country.

While venison returns have continued to strengthen improving the cash flow for most deer farmers, the continuing rising cost of production, the difficult velvet season, and other land use options are resulting in an increasing number of Deer farmers leaving the Industry.

The large number of capital stock hinds that have been killed in recent months is a real threat to our future; it is these hinds that are boosting our current year to date kill figures, and their fawns, which provided reasonable numbers of weaners for sale this season. The actual number of hinds mated this year is still unclear, But estimated at around 650-700,000 potential, but it is obvious that by the spring of 09 there will be considerably less stock available for processing which in turn will, raise its own issues on processing capacity efficiencies and procurement and royalties.

This year's velvet season can be best described as disappointing, the exchange rate, an increase in out of season sales, unrealistic reserves, and the publicity surrounding Velconz, have all been offered as reasons why there has been less interest in buying NZ velvet this season.

The likely success of the Velconz concept will soon be apparent, as velvet producers have had an opportunity to show their commitment for change by supporting PGGW/Velconz with their patronage this season.

If the support anticipated does not eventuate producers will have clearly signalled their disinterest in owning a velvet-marketing platform with the ability to deliver improved sustainable returns, and a real opportunity will have been lost. That opportunity is unlikely to be repeated in this form.

### **NZDFA Activity**

The executive committee has met regularly through the year as well as hosting a successful Branch Chairman's meeting in October with representation present from all branches. This meeting continues to be well supported by the DINZ Executive and Board members, and is greatly valued by branch chairs, as have the three regional meetings held between the chairs from the upper and lower North Island and the South Island.

These smaller forums have allowed for increased participation and a robust exchange of views and were held prior to the Velconz initiative launch and this year's AGM.

Providing added services and information to our loyal membership has been a priority for the Executive Committee. As an aspect of that we have undertaken the production of an electronic monthly newsletter, Stagline-online, with a view to providing an enhanced service and improved communication to members. The growth and development of this has only been possible through the dedication and hard work of DINZ's new marketing and communications assistant Natalie Fraser.

Changes to the constitution proposed are related to membership inclusion for all active deer farmers have been moved by the Executive Committee and aim to simplify and provide the best possible representation for Deer Farmers. The changes are necessary due to the cessation of the NZDFA commodity levy order, which occurred in September 2007.

## **Submissions**

### ***NAWAC Code of welfare for Deer***

Working with the DINZ executive the Executive Committee succeeded in getting the code changed to allow the transportation of freshly weaned deer inter-farm.

### ***Climate Change (Emissions trading and renewable preference) Bill***

While the NZDFA did not submit directly to this bill DINZ did and the Executive Committee has strongly supported their submission and encouraged stronger and increasingly opposed action be taken. The NZDFA see this, as does the Board, as a priority for this year to ensure that farming profitability and sustainability in the industry are not compromised, nor are the costs just sheeted home to agriculture, but shared and demanded by the consuming and purchasing public.

### ***Game Status Review Panel***

The industry has lobbied strongly for a change in the Status and legislative requirements for farmed deer to be moved from the framework and title of pests under the DoC governed and outdated Wild Animal Control Act. Farmed deer and we believe should be regarded as farmed game, under appropriate existing livestock legislation and under the MAF/NZFSA umbrella where all the legislation regarding welfare, food safety and production, etc, sit, (e.g. carcass inspection first). Safari parks and trophy blocks similarly should be regarded as managed game and led by the Association of Game Estates' Code of practice and standards. The industry has also argued that the wild resource of deer tahr, chamois and pigs should be managed as such, but not to the exclusion of risking unique biodiversity. The Panel's recommendations have been placed with the Minister for consideration prior to June this year. The DFA believes, that while the Gazette Notice No 5 that proposes to regulate 300 odd farmers in the west and north of the NI has also been submitted to the Minister as part of the submission process the DFA fiercely opposed, both issues considered jointly as a success in the Game Status lobby will have significant impact on the other.

### ***Environment Waikato, opposition to inclusion of Deer as a Pest in Regional Plan***

The DFA joined in supporting the Game and Forest Foundation in opposing plans for EW to classify feral deer as a pest, and for the control programmes to override the wider nationally lined and targeted AHB pest eradication programmes. A similar submission has also been made to Horizons' Manawatu who are developing a similar but less authoritative stance.

### ***Feral Recovery of Deer, New NZFSA standards and concerns re 1080 risk in recovered deer.***

The DFA continues to have concerns of the risk that accidental recovery of feral deer with a 1080 risk potential of contamination would have serious implications for all the industry. The DFA supported NZSA moves to tighten controls on recovery and carcass transport hygiene and storage requirements from recovery and has also talked with feral processors in relation to local and national concerns of 1080 Risk. The protocols and operations procedures with GPS and data logging appear to provide as robust an assurance as in possible, and the companies and AHB have been quite open in discussing these concerns and systems around protection.

### ***Biosecurity and Industry involvement in risk assessment and responses***

The DFA has also been actively involved in consultation and discussion over New Biosecurity NZ proposals where by industry elects with some capital input to be involved in assessing the level of risk, appropriate response and ownership with Biosecurity NZ of incursion risk that might be specific to the Deer industry and its viability. We support the

Idea of being involved in the planning and action required around such Biosecurity risk. On a wider scale, disease incursion with National importance will continue to be dealt with in the full force of national urgency.

### **Finance**

Tim Aitken has continued to oversee the organisations finances which through prudent budgeting and a small profit from last years conference show a small surplus of ~ \$2300. The Association's falling membership 1900 compared to last year's 2088 which mirrors the reducing number of deer farmers, continues to put pressure on our budget. The Executive Committee have responded with a tight rein on expenditure. For the 2008 /09 financial year, we have maintained subscriptions at current levels and budget to maintain expenditure in line with that of previous years.

It should be noted that the Association has now used the historical tax credits it has had available to it, and in future will have to budget for a tax liability on income other than subscriptions.

### **JRG**

As indicated last year the Executive Committee paid the JRG \$10k on behalf of deer farmers to enable the completion of the epidemiology project. The NZDFA continues to be supportive of the JRG and JML.

A joint livestock industry SFF application based on the JRG model to support on farm extension and technology transfer was encouraged by the SFF, but failed to attract financial support from the Dairy and Meat and Wool industries who had concerns re timing and priority as the Research consortium was still being developed. This year a proposal linking the JML concept and the JRG expertise has been developed for SFF consideration following a JRG workshop that looked at the Hazard and Critical Control Points (HACCP) in the supply chain where reducing the exposure to Mycobacterium Avis. If successful it will allow further case study reporting in the form of bulletins, promotion of the Industry agreed JD farm status classification scheme and support JML's activity with Veterinary and other advisory expertise and management, further diagnostics and understanding of on farm JD in the first instance.

I would also like to acknowledge the hard work and contribution and effort made by Dr Jamie Glossop as she completes her PhD in the Epidemiology study of Johne's disease. Jamie has been a regular and valued contributor at many NZDFA activities and meetings and field days and has made a substantial contribution to our understanding and management of the disease.

Equally the impact that JRG has made on behalf of deer farmers, substantially supported by the contributions from NZDF branches and Deer Industry New Zealand and the huge commitment from all of our research providers and the Otago University staff at Frank Griffins Disease Research laboratory and the Paralisa test, has been major. The guiding lights and talents of Adrian Campbell, Mandy Bell and Chair Peter Aitken must be acknowledged in their leadership of that dedication and group of JRG contributors. The industry has set a leading example of the co-operation required in reducing the impact of this disease within our industry.

### **Animal Health Board**

The number of reactor deer herds continue to fall with the AHB's Annual Report listing 18 at the 30 June 07.

Branch Chairs have been briefed as will Conference delegates on the Boards review of the NPMS and their options and recommendations for the future.

The Executive Committee are supportive in principal of the eradication strategy, however we do have concerns over the funding timeline, believing with eradication the goal, spreading the cost over a longer period and getting it right, may benefit producers best. The NZDFA is appreciative of time Errol Croad has given to representing Deer Farmers as our representative on the AHB members Committee and extends our congratulations to him on his appointment as Chairman.

### **Deer Industry Focus Farms, the “*Making the DIFFerence*” Project**

The NZDFA is working with DINZ on these regional projects and will be doing nationally and locally all we can to ensure the success of them. The Deer Industry Focus farms projects covers 4 major NZ areas with the model incorporating both a Central Focus Farm and the potential to highlight other farmers or management in the broad area that add value to the regional emphasis. Common themes emerging include tackling the impact of parasitism, glaringly this difficult year in managing drought especially as it impacts through lactation and weaning, and autumn pastures and cropping systems. Key Farms are:

- Northern Regions, Dave Dewar, Ngakuru, facilitated by Mark Macintosh (AgFirst) and veterinarian Robin Hopkirk, (community group chairman, Andrew Mitchell).
- Central regions, Tim Aitken and Lucy Robertshawe, Tikokino, facilitated by veterinarian Richard Hilson, (community group chairman, Mike Holdaway).
- Canterbury, Mendip Hills Station, Parnassus, managers Simon and Miesha Lee, facilitated by Peter Bradley from MacFarlane Rural Business, (community group chairman, Mark Shadbolt).
- South Canterbury North Otago, Whiterock Station, Ross and Sally Stevens, facilitated by Nicola Hyslop from MacFarlane Rural Business, (community group chairman, Johnny Acland).

The Otago and Southland SFF funded Focus Farms of Grant and Andrea Cochrane and John and Jacky Mclean are in their final year of the contract. This province (including Fiordland) have about 1,000 farms with deer and I consider it critical that a further two farms are established under the DIFF project for the lower South Island. The branches will be looking for support, funding, innovation and an extension of the project to ensure this valuable work continues. The Southland Branch field day will feature a snapshot of the projects during the associated conference field day.

### **Research**

Noel Beatson continues to represent the NZDFA on the Board of DEEResearch and I thank him for his efforts.

The aligning of most research under the Venison Supply System (VSS) project has given the Industry a framework to build worthwhile research projects around and gain maximum funding from FRST, which equates to a \$1.3M from FRST and a \$0.5M funding from Industry (DEEResearch and Landcorp) per year research spend for the next years.

The Focus Farms will play a huge part in transferring project results and findings to farmers, and while the direction of the VSS projects are in place individual projects and new opportunities are constantly under review by the DEEResearch Board and the Venison Supply Systems Governance Council to which the NZDFA delegates a member.

### **In Conclusion**

I believe the Deer Industry has a positive future, we have some very real challenges in tailoring supply to meet demand, and ensuring selling systems are able to provide sustainable returns for our producers.

However, the research projects I have just described, the Focus Farms and the positive people that make up this Industry give me faith in the future.

I would like to acknowledge and thank all the Branch Chairmen and Secretaries for their contribution to the Association over the past 12 months, because you like my fellow Executive Committee members who I also acknowledge and thank, are putting something extra into your Industry.

The Executive Committee are losing two of our number this year and I would like to thank Mark Hawkins for his contribution and counsel over the last 2 years. Secondly, Tim Aitken for the 4 years he has put into the Executive Committee especially for his stewardship of the Association's finances, and the huge time commitment he has made to the NZDFA in general over the last 10 years; thank you both.

I would like to thank Tony Pearse for his contribution, commitment, and the sheer hard work he does for the Industry, the dedication and enthusiasm he shows for his job continues to impress and amaze me.

Past Chairmen have called for extra support for the Producer Manager in their Annual Reports, and I am pleased to be able to acknowledge and thank Natalie Fraser for the excellent job she is doing.

Lastly, I would like to thank the remainder of the DINZ Executive and you, New Zealand Deer Farmers, for your support over the last 12 months and I have much pleasure in moving the adoption of this report.