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# Red Meat Report Issue 05

## *Introduction from Sam McIvor and Sirma Karapeeva*

The past few months have been dominated by three issues that will impact the red meat sector and rural communities across the country for generations to come.

The prospect of agricultural emissions pricing, the rapid wholesale conversion of productive sheep and beef farmland into carbon farms and the ongoing labour shortages in processing plants mean the sector continues to face significant pressure.

While farmgate prices remain strong on the back of firm demand for our red meat, rising global inflation has seen farm input prices for the likes of diesel and fertiliser soar.

There is clearly frustration in the sector about the scale and pace of regulatory reform. Farmers are feeling overwhelmed by the potential cost of many of these policies, which is why the red meat sector is calling for a pause on the National Policy Statement for Indigenous Biodiversity.

The New Zealand red meat sector is an economic powerhouse for the country's economy, returning more than \$11 billion in export revenue, supporting approximately 92,000 jobs (4.7 percent of total national employment), and making a real difference to rural and regional communities.

We make a vital contribution to the social, economic and environmental wellbeing of this small country, and this is a responsibility we take extremely seriously.

But like all sectors, we require certainty and clarity so farmers, processors and exporters can make informed decisions for the benefit of our businesses and communities.

For us, pragmatic policy and regulatory settings for our sector are critical if we are to continue to lift productivity, foster innovation and produce world-class, sustainable premium food.

In the short-term, that means limits on fossil fuel emitters offsetting their pollution within the Emissions Trading Scheme (ETS), introducing further changes to the Overseas Investment Office, limits on whole farms being converted into exotics going into the permanent category of the ETS and changes to the Resource Management Act.

It also means a fair and equitable agricultural emissions pricing scheme which does not disproportionately impact or penalise sheep and beef farmers.

Finally, the Government needs to ensure immigration settings are fit for purpose and reflect genuine industry needs, such as providing predictable visa access for halal butchers.

The red meat sector is committed to working constructively with the Government to identify solutions to these issues, but urgent change is necessary so we can get on with doing what we do best – producing the world's most delicious and nutritious protein.

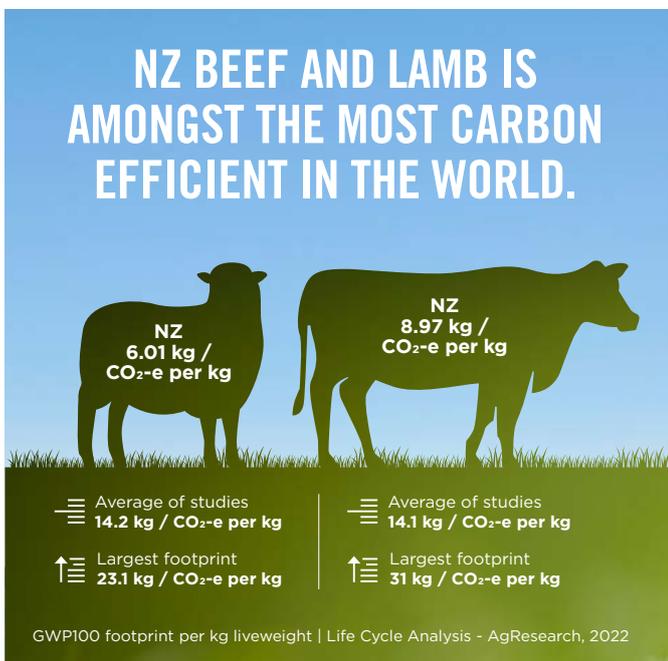


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# SECTOR-WIDE UPDATE



## NEW ZEALAND BEEF AND LAMB AMONG THE MOST CARBON EFFICIENT IN THE WORLD

In November, we released the latest study on the carbon footprint of New Zealand sheepmeat and beef (including dairy beef) production. The study was commissioned by B+LNZ and MIA and undertaken by world leading experts on Life Cycle Assessment (LCA) at AgResearch. AgResearch had the work peer-reviewed and published in November 2022 in the Environmental Impact Assessment journal lending further weight to the evidence.

It provided evidence for farmers, consumers and policymakers that the carbon footprint of New Zealand beef and lamb is amongst the lowest in the world even when exported to market. About 90-95 percent of the total carbon footprint occurs on-farm meaning that food miles do not influence the overall footprint given the efficiency of farming in New Zealand. New Zealand's on-farm footprint was about half the average of other countries compared in the study.

The research received substantial coverage in the media and was shared extensively on social media. It will be used as part of marketing our red meat internationally. We have also updated our making meat better website with fresh figures and have been promoting the research in collaboration with B+LNZ Inc through [MakingMeatBetter](#) and other channels.

The LCA was calculated using the standard GWP100 approach for converting methane to carbon dioxide equivalent to enable valid international comparisons.

AgResearch scientists also measured the carbon footprint of New Zealand beef and sheepmeat using an emerging approach known as GWP\*, which determines a carbon footprint based on a product's actual contribution to the warming of the planet over a period of time rather than total emissions.

The calculation using GWP\* for the period 1998 to 2018 showed that when taking into account sequestration - trees and other vegetation on farms absorbing emissions - New Zealand's sheepmeat is arguably "climate neutral" and New Zealand beef is also well on the way towards that.

That means over the last 20 years, New Zealand sheepmeat has not added any additional warming. Absolute greenhouse emissions from New Zealand sheep and beef farming have decreased by 30 per cent since 1990.

Although the research shows New Zealand farmers are among the most efficient in the world, it also recognises that sheep and beef farming is still having a warming impact on the planet, so we know our job is not done yet and continuous improvement is required.

As a result of this work we are again calling on the government to start reporting on warming as well as emissions annually and for the methane target to be reviewed in 2024 as this research shows quite a different outcome when using a warming approach.

The research also reinforces the need to take a cautious approach to the pricing of agricultural emissions. It makes no sense to put the world's most efficient producers of red meat out of business.

[More information here.](#)

## MYCOPLASMA BOVIS UPDATE

Beef + Lamb New Zealand is a partner in the *Mycoplasma bovis* programme alongside the Ministry for Primary Industries and DairyNZ.

In October, the programme announced summer testing for *M. bovis* would be stepped up after the nationwide surveillance programme identified a new strain of the disease on one of the four confirmed positive properties, which are all in Mid Canterbury.

Genomic testing from a single property, which was previously confirmed with *M. bovis*, identified the strain.

This strain does not behave any differently than the strain the *M. bovis* programme has been dealing with, and existing testing will pick it up, as it has done in this case. It also does not affect the efforts to eradicate *M. bovis* from New Zealand.

A thorough investigation is underway into historic pathways, which include recorded and unrecorded animal movements dating back to 2018, imported feed and farm machinery, and frozen semen imported prior to the tightening of import health standards for bovine germplasm.

While considered a very low risk, frozen semen used on the affected property, which had been imported prior to the introduction of the new import health standard, is being looked at.

The bulk tank milk and beef herd screening (alongside cattle tracing work) has not identified this strain anywhere else and, taking a precautionary approach, the programme will be increasing the frequency of national bulk milk surveillance testing during the summer, from once a month to every fortnight, as occurs over spring.

*M. bovis* is currently on a handful of farms compared to 40 at the height of the programme.

We are four years into a 10-year programme, and we remain on track for eradication. We are moving towards a national pest management plan for *M. bovis* much like that used for the eradication of bovine TB. The aim of that will be to monitor and deal with any disease that pops up over time.

It was estimated that, if left unchecked, the cost of *M. bovis* to farmers would be \$1.3 billion over 10 years.



## B+LNZ LTD GOVERNANCE UPDATE

***The Following is a list of main changes to the Board this year and forthcoming changes:***

Nominations for two B+LNZ director roles (Eastern North Island and Southern South Island) and written remits for the 2023 Annual Meeting closed on Friday 9 December.

Director elections are an important part of ensuring the B+LNZ Board represents the interests of farmers.

[More information can be found here.](#)

### ***Kate Acland - Deputy Chair of the board***

Northern South Island Director Kate Acland was appointed Deputy Chair of the board in June.

B+LNZ Chairman Andrew Morrison said Kate has an excellent mix of rural expertise and business acumen to support the board in achieving its strategic goals and objectives of helping farmers run thriving and profitable farm businesses.



### ***George Tatham - Farmer Director - Eastern North Island***

George Tatham (Farmer Director - Eastern North Island) will step down in March 2023 and not seek re-election.

Tatham, who was appointed in 2014, said it felt like the right time to retire as Farmer Director - Eastern North Island after nine years in the role. He is encouraging other farmers to put themselves forward for the position.



### ***Glen McDonald - Associate Director***

B+LNZ appointed Glen McDonald as an Associate Director to its board in November.

McDonald, who runs a 1,176-hectare sheep and beef farm in Roxburgh, Central Otago, is passionate about the sector and has held various board and treasury roles within his community. He was also a lead farmer in the Red Meat Profit Partnership (RMPP) programme.

McDonald said he is looking to gain further skills and experience so he can serve the red meat and fibre sectors that have played a huge role in his life.



### ***David Surveyor - Industry Director***

David Surveyor was appointed as Industry Director in April 2022.

He replaced Greenlea Premier Meats managing director Tony Egan, whose term has expired.

Surveyor will leave the role in April 2023, when the Board will work with MIA on a new Meat Industry appointment.



## NEW HISTORY OF SHEEP AND BEEF SECTOR HIGHLIGHTING VITAL CONTRIBUTION TO NEW ZEALAND ECONOMY OFFICIALLY LAUNCHED

A new history of New Zealand's sheep and beef sector outlining the achievements of the red meat industry over the past 25 years and its vital contribution to the national economy was launched in June.

*"Meeting Change: the NZ Red Meat Story 1997-2022"*, written by Ali Spencer and Mick Calder, was commissioned by the New Zealand Meat Board (NZMB) to mark its centenary year.

It is the third in a series of histories of the sector and follows "Golden Jubilee" edited by Dai Hayward (1972) and "Meat Acts", written by Janet Tyson and Mick Calder (1999).

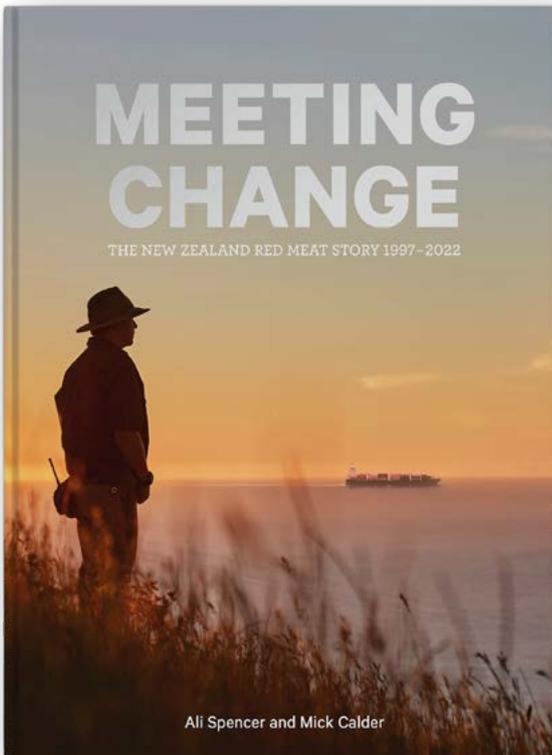
The book was officially launched at an event at Te Papa in Wellington, attended by current and former Meat Board members and staff, and other key players in the sheep and beef sector.

Representatives of major UK lamb customers also marked the NZMB's centenary on National Lamb Day at Butcher's Hall, home of the Worshipful Company of Butchers in London, in May.

The NZMB currently oversees \$2.3 billion of red meat exports to the quota markets of the European Union, United Kingdom and United States. It is also responsible for more than \$80 million of farmer reserves, providing crucial funding to assist in re-opening export markets in the event of any major industry crisis.

The Board's duties are set to expand further with NZMB taking on responsibility for the administration of the transitional Free Trade Agreement quotas between the UK and New Zealand once the deal is ratified by both countries.

Edited by Janet Tyson and published by Mary Egan Publishing, **Meeting Change** can be purchased from [here](#).



## BEEF + LAMB NEW ZEALAND AWARDS

At the end of September, the winners of the award categories in the inaugural Beef + Lamb New Zealand Awards were announced at a gala dinner at the Napier War Memorial and Convention Centre.

Celebrating the people and technologies that make this country's red meat sector world-leading, the Awards, which incorporated sheep, beef and dairy beef, were an opportunity to showcase the sector to the wider public.

Launched in March 2021, B+LNZ was overwhelmed by both the quality and quantity of entries (more than 120 in total) in the award categories which were Emerging Achiever, People Development, Significant Sector Contribution, Rural Champion, Science and Research, Technology, Innovative Farming and Market Leader.

A team of judges, led by B+LNZ Farmer Council National Chair Paul Crick, judged the Awards in 2021 and finalists were announced, but Covid-19-related delays meant the Awards Dinner was not held until this year.

### Beef + Lamb New Zealand Awards winners:

- The Ballance Science and Research Award was won by **Lincoln University's Dryland Pastures Research Group**.
- The Datamars Livestock Technology Award was won by software decision support-tool **Farmax Ltd**.
- The Gallagher Innovative Farming Award was won by the Canterbury-based calf rearing business **Maatua Hou Ltd**.
- The Silver Fern Farms Market Leader Award was won by **Coastal Lamb Ltd**.
- AgResearch Emerging Achiever Award was won by **Cambridge-based Estee Browne**.
- The Rabobank People and Development Award was won by the **Agri-Women's Development Trust (AWDT)**.
- The FMG Rural Champion Award was won by Tairāwhiti-based **agribusiness professional Sandra Matthews**.
- The Alliance Significant Contribution Award was won by **AgResearch scientist David Stevens**.
- The winner of the B+LNZ Regional Leadership Award was won by the **East Coast Rural Support Trust**.



## RED MEAT SECTOR CONFERENCE

MIA and B+LNZ Ltd jointly hosted the Red Meat Sector Conference 2022 on Monday 1 August in Christchurch.

The theme was “Reinventing for Sustainable Value”, recognising the growing collective awareness of a need to meaningfully respond to climate change and how this is being reflected in Government policy and regulation, public sentiment, and some consumer preferences.

The conference programme was designed to encourage a discussion about “sustainable value” in terms of our environmental credentials and the consumer drivers demanding change, as well as the sector’s innovation, profitability, and future.

The day before the conference, the Meat Business Women, together with MIA, B+LNZ Inc and B+LNZ Ltd, hosted a networking lunch as part of the programme.

MIA also hosted 19 of its current MIA Scholars for a workshop at the conference.

The conference had a packed programme of speakers including Greg Smith, CEO of Bremworth, Dr Sinead Leahy (NZAGRC), Chair of the New Zealand Food and Grocery Council Mike Pretty and Dr Frank Mitloehner (University of California Davis), who discussed accounting for emissions and the different models of GWP100 and GWP\*.

The final session focused on “The Next Generation” and included a panel of young, up and coming leaders in the sector. They challenged the conference to be bolder, more inclusive of younger generations in leadership conversations and more inclusive of people and organisations outside of the industry as a means to get fresh thinking.

[Watch the conference speakers here.](#)



## MEAT BUSINESS WOMEN NEW ZEALAND

Meat Business Women (MBW) is a global network for women working in the red meat sector which offers mentorships, masterclasses and networking opportunities. The New Zealand branch, launched in 2019, is steadily growing in members.

B+LNZ Ltd, MIA and B+LNZ Inc are territory partners of MBW NZ.

Since May, MBW NZ have had two very successful in-person networking events in Dunedin and Christchurch, both supported by Silver Fern Farms.

On 9 December, MBW NZ is hosting a networking breakfast in Christchurch sponsored by ANZCO Foods with guest speaker Rachel Taulelei (Co-Founder OHO and ANZCO Foods Director). [Click here to register.](#)

There was also an online Masterclass where guest speaker Courtney Nimmo (ex-B+LNZ Associate Director) talked about pathways to leadership.

In the first quarter of 2023, MBW NZ will start gathering data for the next iteration of the Gender Report tracking gender representation across the industry globally, this time including ethnic data.

[View the 2020 Gender Report here.](#)

The MBW NZ committee is planning more events and Masterclasses for 2023. If you or your organisation want to sponsor an event or if you have any ideas, please get in touch with MBW NZ Chair and B+LNZ Communications Advisor, Abigail Delaney at [Abigail.Delaney@beeflambnz.com](mailto:Abigail.Delaney@beeflambnz.com).

# GLOBAL TRADE

*In 2022 the sector reached record export levels. These results demonstrate the red meat sector's resilience and highlight the strong global demand for safe, natural, high-quality red meat. When Free Trade Agreements (FTAs) with the UK and EU come into force, 73 percent of the sector's trade will be covered by FTAs.*

## MARKET UPDATE

As the red meat sector is export-focused, sending more than 90 percent of what it produces to more than 100 countries, open and predictable access to a wide range of markets is vital.

That is why a significant part of B+LNZ and MIA's work is related to trade and market access. Our trade team works closely with the New Zealand Government to achieve the best possible outcomes for our sector.

Increasingly, importing markets are looking behind the farm gate, seeking assurances that New Zealand red meat is produced in ethical and sustainable ways, particularly on issues related to animal welfare and climate change.

During 2021/22, much of the sector's market access work related to maintaining access into China and supporting the Government in the FTA negotiations with the UK and EU.

## FREE TRADE AGREEMENTS

New Zealand finalised FTA negotiations with two of the sector's long-standing and important markets, the UK and EU.

Finalisation of these two agreements means that 73 percent of the sector's trade will be covered by FTAs when they come into force.



## United Kingdom

In February, New Zealand signed a comprehensive FTA with the UK that will provide significant benefits for the red meat sector. It is hoped that this FTA will enter into force early in 2023.

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 NZD2-5 million, which is a significant tariff saving for a relatively small export volume. Given that the exports will increase with the new quota access, the actual value of the tariff savings will likely be much larger in the first year alone.

More importantly, the new beef quota provides commercially meaningful access into the market and will allow New Zealand exporters to develop longstanding relationships with customers for beef in the same way that they have done for sheepmeat.

However, there are some aspects of the FTA that are not ideal. For example, the requirement that 90 percent of the WTO sheepmeat quota is filled before exporters can access the new sheepmeat quota under the FTA is problematic, as it is unlikely that New Zealand will reach this level of quota utilisation.

As value-added processed sheepmeat products have been included in the new FTA sheepmeat quota, they will likely miss out on any tariff savings until the 15-year transitional period has ended as we will not be meeting the 90 percent WTO quota utilisation required to access the new FTA quota.

## European Union

In contrast, the EU FTA, which was concluded at the end of June, was extremely disappointing.

While New Zealand has good access into the EU for sheepmeat through the WTO quota, the current access for beef is very limited with only a small WTO quota and very high out of quota tariffs.

It is very frustrating that the new beef quota in the EU FTA only provides a small improvement to New Zealand's access for beef. The EU ratification processes are quite slow and this FTA is unlikely to enter into force for a number of years.

## Gulf Cooperation Council

The GCC consists of Saudi Arabia, United Arab Emirates, Qatar, Kuwait, Oman and Bahrain.

Negotiations on the New Zealand-GCC FTA started in 2007 and were substantially concluded in October 2009.

However, due to a moratorium on FTAs put in place by the GCC and other political developments, the FTA was never finalised nor signed. In March 2022, New Zealand and the GCC agreed to reengage in negotiations, with discussions.

GCC countries are net importers of food and, therefore, ideal partners for New Zealand's red meat exports.

B+L NZ and MIA are continuing to work with the government to ensure that we can rapidly conclude an agreement that provides for high quality outcomes for red meat.

## CHINA

In 2021/22, China was once again the sector's major market, accounting for 37 percent of exports worth \$4.1 billion.

Despite calls for New Zealand exporters to diversify and reduce their reliance on China, the ongoing demand for protein in China has provided significant export returns for the sector over the last year.

While China does take a large proportion of the sector's exports, it is also important to emphasise the work that the New Zealand Government and exporters have done over the last 20 years to open and develop new markets so that there is flexibility in case of disruptions in one particular market.

China's 'zero-Covid' policy and strict requirements for exporters, particularly exporters of cold-chain products such as meat, have created challenges for the processing companies.

However, MIA, the Ministry for Primary Industries (MPI) and the processing companies have all worked closely together to ensure that the New Zealand red meat being exported to China has complied with these requirements.

There has been progress during the year on the MIA co-operation work with China, in particular the Meat Hygiene Co-operation Programme.

This will involve New Zealand working with China in areas related to meat processing including, microbiological and chemical residue monitoring, and meat inspection training.

MIA is working with MPI to finalise the terms of reference and the work programme for the year ahead.

In the meantime, MIA (together with MPI and New Zealand Trade and Enterprise) is due to present at the China Meat Conference (CIMIE) in April 2023 on what it takes to attract and retain talent in the workforce, the industry's experience with standards and innovative technologies emerging in the sector, while B+LNZ is working with a Chinese firm to tell the story of our farmers' sustainability, farming systems and practices.

## OTHER MARKETS AND MARKET ACCESS

While focus during the year has largely been on China, Europe and the UK, the sector exported to 108 countries and work has continued on maintaining and improving access to a range of other markets.

Furthermore, the sector has been doing some planning of the **future of trade policy** and what that might look like for New Zealand's red meat sector.

With almost 75 percent of trade covered by New Zealand's network of FTAs (once the EU and UK FTAs have come into force), we will focus on protecting existing market access, ensuring it can be fully utilised (i.e., implementation and enforcement of FTAs and resolving non-tariff barriers to trade), and considering what markets are next e.g., India and the US.

Key import markets are looking to introduce a raft of new **non-tariff measures** focused on sustainability issues, including those related to deforestation-free supply chains and animal welfare. Depending on how these regulations are developed and implemented, trade flows into key markets maybe impacted.

With the EU taking the lead on progressing these kinds of measures, advocacy efforts will be focused on making sure these do not become barriers to trade.

For instance, MIA CEO Sirma Karapeeva visited **India** in September alongside Minister Damien O'Connor and a number of representatives within the agriculture export sector.

This was a chance to explore opportunities in the Indian market, highlight the meat sector's commitment to India and speak with our agricultural colleagues about how we could work together to highlight New Zealand's food production brand and capability.

Meanwhile, B+LNZ hosted a visiting delegation of **Indian** sheep producers and vets to discuss genetics, demonstrating our willingness to work with the Indian sheep industry and building the potential for new markets for New Zealand sheep breeders to export semen and embryos.

New Zealand has joined 13 other countries in the **Indo-Pacific region to launch negotiations on the Indo Pacific Economic Framework for Prosperity (IPEF) negotiations**. These negotiations are an opportunity to strengthen economic cooperation with the United States and other economies across the region.

While we are disappointed the negotiations will not include market access, we are working with the New Zealand Government to ensure tangible and commercially meaningful outcomes on non-tariffs measures impacting the free flow of trade, including on customs procedures and trade facilitation.



## HALAL ISSUES

A significant amount of the MIA team's work has been focused on halal processing which is a key part of the industry's business model.

Nearly all of New Zealand's export processing plants are approved to undertake halal processing, as it provides the flexibility to export cuts from nearly every carcass to both Muslim and non-Muslim customers around the world.

Halal certified exports accounted for 44 percent of red meat and edible co-product exports by volume, worth around \$4.1 billion, in 2021/22. These halal-certified exports went to 64 countries during the year.

However, halal processing can be complex as it involves additional religious requirements on top of the food safety requirements. Also, while the Codex Alimentarius Commission (Codex) has established international standards for consumer health protection and international trade, there is no similar international standard for halal production and trade.

This means that halal requirements can vary significantly from country to country and can often change with very little notice. MIA and the processing companies work closely with MPI to resolve halal issues when they arise and to respond to concerns by overseas halal authorities.



## GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF

B+LNZ attended the Global RoundTable for Sustainable Beef (GRSB) conference in Colorado in November.

Within the GRSB, there are 12 regional roundtables, including the New Zealand Roundtable for Sustainable Beef, of which B+LNZ is a founding member.

At the conference, B+LNZ heard from other roundtables about the work they are doing in their respective countries and regions to improve beef sustainability across the three GRSB goals of climate, nature positive production, and animal health and welfare.

The GRSB's global reach and whole of supply chain coverage provides it with a strong voice to advocate on areas of interest to all beef producers. The GRSB attended COP27 in Egypt and spoke at multiple side events on issues such as the importance of beef production for food security, sustainable grassland agriculture, and recognising the short-lived nature of methane, through metrics like GWP\*.

## GLOBAL SHEEP PRODUCERS FORUM

The Global Sheep Producers Forum (GSPF) members, including B+LNZ, met in Toronto for the 4th annual Global Sheep Forum in November.

The GSPF provides a common voice for the global sheep community and a collective vision of the future sustainability of the sector, while fostering global collaboration.

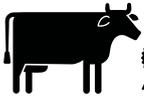


## TASTE PURE NATURE

Throughout 2022, B+LNZ continued to build awareness and aspiration to buy New Zealand grass-fed beef and lamb in the U.S. and China via our Taste Pure Nature brand marketing programme.



## U.S. UPDATE



**ASPIRATION 47%**  
TO BUY NZ GRASS-FED BEEF WHEN I CAN  
+18% VS 2019



**AWARENESS 62%**  
NZ UNIQUE, GRASS-FED FARMING SYSTEM  
+19% VS 2019



**ASPIRATION 72%**  
TO BUY NZ GRASS-FED LAMB WHEN I CAN  
+10% VS 2019

The Taste Pure Nature campaign continues to be well received by Californian Conscious Foodies.

B+LNZ's consumer tracking shows New Zealand maintains its position as a leading country in producing high quality beef and lamb that these consumers are willing to pay a price premium for.

### Key Highlights

- Food Truck tour generated more than 250 million media impressions\*.
- Five paid media campaigns generated more than 116.9 million impressions.
- Taste Pure Nature social media channels grew by more than 9,000 followers and generated over 160,000 engagements.
- Influencer activity generated over 22.3 million impressions.
- The Taste Pure Nature website had over 3.9 million impressions coming from searches for keywords such as 'lamb rack recipe' and 'beef casserole'.

\* Impressions = the number of people who have seen a post.

## U.S. Partnership Activity

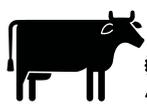
Here are a few highlights from our collaborative campaigns with our meat processing and exporting company partners. They're designed to generate consumer awareness, trial and ultimately purchase of their products at retail.

- In partnership with Atkins Ranch and First Light Farms, B+LNZ launched a Food Truck tour in L.A. so residents could experience a taste of New Zealand grass-fed beef and lamb. [Read more here](#). During the activation more than 15,000 samples were handed out. The tour featured on [KTLA Morning News](#), which has more than 147,000 daily views.
- B+LNZ supported the launch of Silver Fern Farms Net Carbon Zero by Nature Beef in the U.S. with an influencer campaign that intrigued Conscious Foodies with delicious recipes using products from the range and other low carbon footprint ingredients. A joint Easter lamb e-commerce campaign contributed to a 266 percent increase in sales revenue from Silver Fern Farms lamb products and a 68 percent increase in website traffic.
- A joint Summer Grilling campaign with Atkins Ranch featuring an influencer campaign and media recipe release resulted in over 186 million impressions and more than 16,000 social engagements.





## CHINA UPDATE



**ASPIRATION 75%**  
TO BUY NZ GRASS-FED  
BEEF WHEN I CAN  
+7% VS 2020



**AWARENESS 84%**  
NZ UNIQUE, GRASS-FED  
FARMING SYSTEM  
+2% VS 2020



**ASPIRATION 78%**  
TO BUY NZ GRASS-FED  
LAMB WHEN I CAN  
+3% VS 2020

Despite having to adapt our China strategy due to ongoing market volatility as a result of COVID-19, the Taste Pure Nature campaign continues to appeal to Chinese Conscious Foodies and pique their interest in New Zealand beef and lamb.

New Zealand has held and strengthened its leading position on 'beef buzz', with 44 percent of consumers surveyed reporting it as the most seen / heard about country of origin for beef.

### Key Highlights

In September, B+LNZ partnered with Alliance Group and Silver Fern Farms to launch the **Pure Box vending machines** in Shanghai. Six meals were co-developed by B+LNZ and chef Jamie Pea to fuse traditional Chinese ingredients, Western food trends and New Zealand grass-fed beef or lamb in a convenient, ready-to-eat, meal.

Three branded machines were positioned in high-foot traffic areas around Shanghai, and the overall activation has reached more than 35 million consumers through placements on social media and news outlets such as Vogue and Elle.

### Other highlights from 2022 include:

- Taste Pure Nature's Chinese social media accounts generated 3.4 million impressions, over 110,500 engagements and gained over 3,500 followers.
- Collaborations with KOL's (key opinion leaders) and KOC's (key opinion consumers) generated over 2.4 million impressions and more than 110,000 engagements.
- A joint digital advertising campaign with Alliance Group to launch its Pure South lamb range generated more than 3.3 million impressions and 259,000 engagements.
- A Shanghai-based camping event with Silver Fern Farms involved sharing the New Zealand grass-fed origin story and unique product attributes of Silver Fern Farms with select KOL's, Food & Beverage and Lifestyle media. The guests created content and published this across various platforms, resulting in more than 13 million impressions and 25,000 engagements.

*\* Beef Buzz refers to the country consumers see or hear the most about when they think about imported beef.*

### From New Zealand, Naturally Good

B+LNZ officially launched its first brand marketing campaign in China titled 'From New Zealand, Naturally Good'. The brand campaign is designed to tell a compelling narrative across key digital platforms to build awareness and generate buzz about New Zealand's unique point of difference. In just two weeks, the campaign has generated more than 4 million impressions and 36,000 engagements.

### Stay updated with the latest Taste Pure Nature news

Sign up to the 'A Bite of Taste Pure Nature' quarterly e-newsletter designed to keep you up-to-date with New Zealand's beef and lamb global brand marketing programme. [Subscribe here.](#)



# 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 also calling for a pause on the Biodiversity National Policy Statement.*

## BIODIVERSITY

B+LNZ is calling for a pause on the National Policy Statement on Indigenous Biodiversity.

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 further impacts of the proposed policies and would like this process paused and for the Government to properly engage with the sector on what needs to be changed.

The Government released an exposure draft of the National Policy Statement on [Indigenous Biodiversity \(NPSIB\)](#) legislation in July 2022.

B+LNZ provided a submission jointly with Deer Industry New Zealand (DINZ) to the Ministry for the Environment as part of the consultation.

While minor changes were made, fundamental issues remain. Our main concern is the criteria for identifying Significant Natural Areas (SNAs) are too broad.

SNAs have the potential to seriously impact what farmers can do on their land, and with huge swathes of farmland covered in native biodiversity, this has enormous ramifications for our industry.

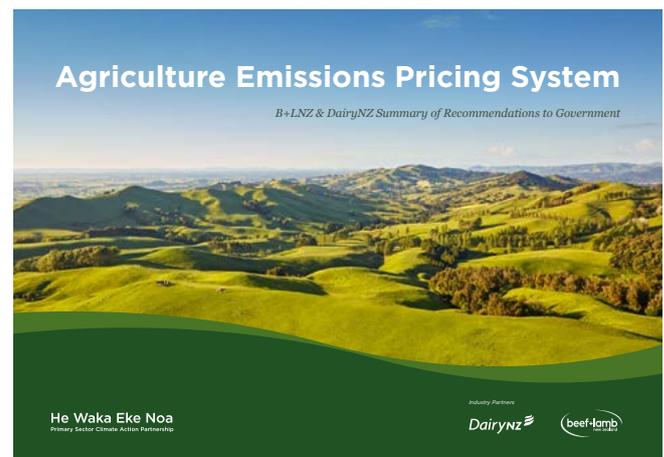
We have significant concerns about the policy around existing use, which is currently unclear in the legislation. The NPSIB must clearly articulate the ability for existing pastoral use to continue and provide for flexibility within farming systems in relation to existing use.

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.

Work to raise awareness of farmer concerns about the biodiversity legislation, in particular SNAs, is continuing. In September, we arranged for Ministry officials to visit a farm to see first-hand the implications of the proposed criteria.

At the time of writing, the outcome of the consultation is expected to be released by the end of 2022.



## THE PRICING OF AGRICULTURAL EMISSIONS NEEDS TO BE FAIR AND EQUITABLE

The He Waka Eke Noa primary sector climate action partnership has been one of the main areas of focus for B+LNZ and the MIA, and its farmers and members, over the last year.

Our major objective for engaging in this process was to keep agriculture out of the ETS. This has been achieved, with the Government and the Climate Change Commission agreeing that it does not make sense to put agriculture in the ETS.

There is still a lot of work to be done on the alternative pricing framework. The Government's proposal in its current form is unacceptable.

In June this year the agricultural partnership publicly released its recommendations to the Government on an agricultural emissions pricing system as an alternative to the sector entering the Emissions Trading Scheme.

The recommendation, which was influenced by farmer feedback undertaken in February and March, was for a split-gas farm-level levy on agricultural emissions with built-in incentives to reduce emissions and sequester carbon.

The Government released its response to the partnership's recommendations in October.

While the Government proposed to keep agriculture out of the ETS and price via a farm-level split-gas levy as recommended by He Waka Eke Noa, the changes it made – especially to sequestration and price-setting – fundamentally altered the balance of the agriculture sector's proposals and disproportionately impact the sheep and beef sector.

The Boards of B+LNZ, DairyNZ and Federated Farmers presented a united voice on emissions pricing, with agreed positions on the current methane targets, the methane price and how prices should be set, ringfencing levy revenue, retaining the He Waka Eke Noa partnership's recommendations on sequestration, the ability of farmers to form collectives, and the availability of temporary levy relief.

The He Waka Eke Noa partners provided a joint submission, which added to and strengthened its initial recommendations, on the Government's proposals. While Federated Farmers chose not to sign the joint submission, B+LNZ and MIA strongly supported it in their own submissions.

To support farmers in responding to the Government's response to He Waka Eke Noa, B+LNZ produced a pre-written submission template, which was downloaded around 2,700 times. In almost half of these submissions, farmers indicated that they used their own words or individual examples.

B+LNZ also provided a longer blank submission template, which was downloaded 700 times. In addition to this, B+LNZ ran, or spoke at, 46 events which were attended by more than 1,500 farmers.

At time of writing, the results of the Government's consultation on its proposals were not known.

## THE METHANE TARGETS NEED TO BE REVIEWED

The Red meat sector is continuing to advocate for a review of the methane targets in the Zero Carbon Bill.

While it is positive that New Zealand has separate targets for methane, which recognises that methane is a short-lived gas, the current methane targets in the Zero Carbon Bill are asking agriculture to do far more for the climate than is being asked of fossil fuel emitters.

They need to be amended to level the playing field.

There is a fundamental difference between short-lived and long-lived gases.

In the Zero Carbon Bill, carbon dioxide's target is to get to net zero in 2050. From a climate perspective, this is asking carbon dioxide to not add any new warming from 2050.

It is internationally recognised that methane only needs to reduce by 0.3 percent a year to not add additional warming.

If methane had a similar target from a climate perspective to CO<sub>2</sub>, the target should be a 10 percent reduction by 2050.

The current methane targets in the Zero Carbon Bill are for a 10 percent reduction in methane by 2030 and between 24-47 percent by 2050. This is asking agriculture to do more than carbon dioxide.

The Government also needs to report on warming annually as well as emissions so that the public understand the difference between the warming impact of short-lived gases compared to long-lived gases.

There will be a review in 2024 and the red meat sector is urging the Government to use the latest science to bring the targets down.

## GOOD PROGRESS BY THE SECTOR IN MEETING CLIMATE CHANGE 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.

At the time of writing, more than 250 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 8,400 sheep and beef farmers now know their emissions numbers, which represents approximately 92 percent of the commercial sheep and beef farmers in New Zealand. We also ran events, including webinars.

The workshops cover why farmers should know their GHG numbers. They also step farmers through B+LNZ's GHG Calculator and provide guidance on the development of GHG action plans. These workshops are world-leading – we are not aware of anything on this scale in any other country.





## CARBON FARMING

There has been a major increase in awareness and concern over the scale and pace of wholesale land use change from sheep and beef farming to carbon farming, but the Government has so far failed to act and in fact has gone backwards.

In addition to farming groups B+LNZ, Federated Farmers and 50 Shades of Green, the Climate Change Commission, Parliamentary Commissioner for the Environment and NGOs such as the Environment Defense Society, Fish and Game and Forest and Bird are calling for urgent limits.

In November, research commissioned by B+LNZ and Federated Farmers found 54 percent of New Zealanders support a limit on the amount of fossil fuel emissions that can be offset with new pine forests. Almost two thirds of Kiwis oppose foreign companies buying New Zealand farms to offset their emissions.

A combination of policy changes are needed.

There needs to be an urgent review of the role of forestry in the Emissions Trading Scheme and specific limits on the amount of offsetting fossil fuel emitters can do. We are not saying zero, but some limits are warranted.

In the short-term, we must test and implement a range of possible tools such as further limits on foreign investment; some limits on exotics being put into the permanent category of the ETS (to address “carbon only” farming); and additional rules for carbon and plantation forestry at the regional level.

New Zealand is the only country internationally to allow 100 percent offsetting within its regulatory carbon market. The EU and US only allow about 10 percent of emissions to be offset.

As the carbon price has rapidly increased the returns on forestry offsets have skyrocketed.

Research released by B+LNZ in November found that more than 52,000ha of land was purchased by forestry interests in 2021, a 36 percent increase on the previous two years, and up from 7,000ha in 2017.

This is far more than the 25,000ha a year of exotics that the CCC has suggested are needed to achieve New Zealand’s climate change objectives. [More information here.](#)

CCC has repeatedly stated that said that emissions are being offset instead of being reduced and that the ETS is likely to deliver mostly new plantation forestry rather than gross emission reductions.

B+LNZ was therefore deeply disappointed when the Government backtracked on its proposal to remove exotic trees from the permanent category of the ETS. This has led to a surge in “carbon only” farmers investing in sheep and beef farmland.

B+LNZ is not anti-forestry and sees huge opportunities for the integration of trees on farms. Our main concern is the scale and pace of wholesale farm sales that are happening that will gut our rural communities.

## 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 or run catchment groups.

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

In October, more than 280 people across the sector gathered at the NZ Landcare Trust Catchment Forum to celebrate the important work done by catchment community groups to enhance their environment. B+LNZ was a Gold Sponsor of the event.

The two-day forum held in Wellington, brought together a mix of farmers, catchment members, iwi, government, rural professions and more.

B+LNZ’s Māori Agribusiness Advisor Charles Taituha shared his advice on how catchment groups can work with tangata whenua and mana whenua.

[Read more about this event here.](#)

## 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.

Throughout 2022, this resulted in an emphasis on climate change with more than 250 workshops presented across New Zealand, contributing to most sheep, beef and deer farmers understanding the greenhouse gas emissions profile of their farm business.

B+LNZ believes farm plans are an important tool to help farmers meet a wide range of farming business requirements and 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](http://www.beeflambnz.com/farmplan).



# INNOVATION AND RESEARCH

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

## **B+LNZ GENETICS**

### ***Informing New Zealand Beef***

The seven-year Informing New Zealand Beef (INZB) programme is at full-throttle as it enters its third year, with work well underway to develop a beef genetic evaluation system that includes traits that are important to New Zealand's beef farmers.

To identify the traits to be included in NZ specific genetic evaluations and indexes, INZB sought input from the Industry Advisory Group (IAG), AbacusBio and beef farmers through a Farmer Trait Prioritisation survey.

A total of 720 beef farmers (breeders and finishers) responded to the survey.

Farmers indicated that their priorities were fertility, functionality (feet, udder, docility, temperament), calving ease, feed efficiency, growth and weight traits (including carcass) and Body Condition Score (BCS).

Of these, feed efficiency/intake, mature cow BCS, fertility and cow functionality traits align with the traits identified by AbacusBio's independent trait assessment and the IAG.

These results will help direct what traits will be carried forward in the INZB programme and will influence the future of the NZ beef industry.

### ***Bulls nominated for this year's Beef Progeny Tests Artificial Insemination (AI) mating***

A total of 42 bulls were nominated for this year's breeding programme at the two Beef Progeny Test (BPT) sites (Kepler and Lochinver Stations) and 19 have been selected – seven Angus (including 1 overseas bull), seven Hereford, and five Simmental. Artificial insemination will take place at Kepler in December and Lochinver in January.

The second cohort of Kepler BPT calves were born this spring and post-winter/pre-calving measurements were carried out at Kepler Station.

## **PROGRESS TOWARDS A LABORATORY-BASED FACIAL ECZEMA TOLERANCE TEST**

The work to develop a high throughput, low-cost Facial Eczema (FE) tolerance test for sheep is well underway with a commercial test expected to be available for commercial laboratories to adopt by the end of next year.

AgResearch Principal Scientist Dr Axel Heiser is leading the B+LNZ initiated and funded work. Phases one and two are now complete.

Phase one 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.

Phase two was the identification of biomarkers for FE tolerance or susceptibility. This meant comparing biomarkers in three groups of animals; FE susceptible and tolerant sheep, (as determined by the traditional Ramguard test) and naive sheep that have never knowingly been exposed to sporidesmin or selected for FE tolerance using Ramguard.

Dr Heiser says a total of 17,663 genes were identified and there were a number that were different between the groups, suggesting the presence of biomarkers for FE tolerance and susceptibility.

The work is now progressing to phases three and four which are focusing on reducing the number of biomarkers down to a maximum of four to make the development of a diagnostic test more feasible.

This will require blood analysis from a further 176 susceptible and tolerant animals and then validation of the test for commercialisation.

Ultimately, the scientists aim to produce a commercial FE tolerance test which uses either of the commonly used diagnostic tests, PCR or ELISA.

Dr Heiser says if they do, as expected, complete this work on sheep, the project won't stop there.

He says they will continue to work on developing a test for cattle, deer and alpaca and llamas, along with working on using saliva as a sample type rather than blood.

Dr Cara Brosnahan, Senior Advisor, Research Programmes says if this project is successful, it will be a game-changer for the industry in terms of improving FE tolerance in sheep flocks.

Expanding this test to other host species is the next logical step and will be included in the larger body of FE research if B+LNZ is successful in securing co-funding through the MPI Sustainable Food and Fibre Futures Fund.

## B+LNZ TO EXIT FUTURE FARM

Next March, B+LNZ will be exiting its Future Farm, Lanercost.

The decision to end the lease on the 1310ha North Canterbury property was made after consulting with the B+LNZ Board, the local Farmer Council and its national executive.

Much has changed since 2018 when B+LNZ acquired the lease on Lanercost, and the decision to exit was made after reviewing the organisation's priorities and the need to ensure these priorities aligned with those of its levy payers.

The Future Farm now sits outside B+LNZ's core business and while it was starting to generate a profit, it would require a lot more input and resources in the future to realise its full potential and really deliver for farmers as an extension tool.

During its lease of the 1310ha property, B+LNZ hosted a number of field days, ram buying and quad safety workshops, developed internal parasite resources and demonstrated the use of low methane genetics in a commercial environment.

Much of the material included in B+LNZ's Farm Plan was trialled on Lanercost, as was B+LNZ's GHG Calculator.



B+LNZ has worked hard to ensure there is a well-planned and successful change of management back to the farm owner, with the farm manager planning to stay on the farm.

The current projects being run or demonstrated on the farm (parasite management, farm planning and low methane sheep breeding) will be wound up before the end of the lease and the outcomes communicated to farmers.

## SECURING A FUTURE FOR HILL COUNTRY FARMING

Hill Country Futures (HCF) is a partnership programme co-funded by B+LNZ, the Ministry of Business, Innovation and Employment (MBIE), Seed Force New Zealand and PGG Wrightson Seeds.

The programme, due to wrap up at the end of 2022, is focused on future proofing the profitability, sustainability and wellbeing of New Zealand's hill country farmers, farm systems and rural communities.

As part of the programme, several decision-making tools to support farmers have been developed including the Soil and Fertiliser series. These 11 factsheets provide guidelines on soil assessment and recommendations on fertiliser use — what to use, when and why. These factsheets can be found on the [B+LNZ knowledge hub](#) and the [HCF website](#).

The programme has also worked with farmers and stakeholders to develop a farmer wellbeing assessment tool — FarmSalus.

FarmSalus aims to provide a tool for farmers, catchment groups, and rural professionals to measure and monitor farm success through the lens of farmer health and wellbeing. You can read more about FarmSalus [here](#). AWDT (Agri Women's Development Trust) is trialling FarmSalus in some of their programmes.

Our farmers and their stories continue to be published in rural media and online. You can view their important stories [here](#). The stories showcase some of the amazing work our farmers do.



A new national forage database — *AgYields* — was launched to help farmers and rural professionals make informed decisions around pasture planning.

*AgYields* is a central repository for all pasture and crop yield data and growth rate information collected in New Zealand. It allows farmers to see which pastures and crops have been grown in their districts and how much they grew so they can select more resilient pasture and crop systems.

You can visit the [AgYields](#) section on the HCF website to find a factsheet, and tutorials on how to use the database.

Multiple potential uses of native shrubs on sheep/beef hill country farms have been evaluated, including biodiversity, mitigating soil erosion and as an alternative forage. Key to this work is also advancing our Mātauranga Māori knowledge of native shrub species and the value of integrating natives within a hill country landscape.

As the programme is ending, we are working on promoting our outcomes to farmers and the wider sector.

See more achievements from the Hill Country at [www.hillcountryfutures.co.nz](http://www.hillcountryfutures.co.nz)



## PASTURE RAISED ADVANTAGE

Latest results from the *Pasture Raised Advantage* nutritional research have shown that red meat is a better source of protein than a processed plant-based alternative.

The first of two human clinical trials in the study found that meat delivers more essential protein building blocks needed for growth and development than that from a plant-based alternative.

The four-stage multidisciplinary project exploring the health and wellbeing benefits of eating pasture-raised beef and lamb as part of a balanced diet, compared to grain-finished beef or a plant-based alternative, is largely complete.

Researchers are now focused on analysing the wealth of data collected in the three-year programme.

Funded by MIA, B+LNZ Ltd, MBIE and the High Value Nutrition National Science Challenge, and supported by Beef+Lamb NZ Inc, the research is a collaboration between industry and researchers at AgResearch, the University of Auckland, Massey University, the University of Otago and the Riddet Institute.

In this first clinical trial, 30 participants aged 20-34 years were fed breakfast on four different days and their blood, digestive symptoms and mood were monitored for four hours immediately following the meal.

Breakfast was a burrito that contained a single serving of a different protein each day; pasture-raised beef, grain-finished beef, lamb and a plant-based alternative - served in random order to each participant across the four days.

Dr Andrea Braakhuis from the University of Auckland heads up the team of nutrition scientists responsible for the study.

“We measured the nutrients in the blood of the participants and saw a significant difference in the type and amounts of amino acids that come from the digestion of the protein of red meat compared to the protein of the processed meat alternative,” says Dr Braakhuis.

“Amino acids from red meat were of greater biological value and better absorbed by the body.”

Dr Braakhuis says these clinical outcomes reflect the results of laboratory experiments carried out on the same foods by Massey University (led by Dr Lovedeep Kaur). Red meat was better digested in the laboratory simulator conditions than the plant-based alternative.

“Our project is showing that red meat is probably a better source of protein for the body than highly processed plant-based products promoted as meat alternatives.”

AgResearch senior scientist Dr Scott Knowles says the new generation of plant-based meat analogues are formulated to mimic the taste and basic nutrient composition of meat, but very little is known yet about their nutritional quality and health benefits.

“Plant-based alternatives are produced very differently from pasture-raised livestock, and they’re marketed as having advantages in environmental footprint and sustainability. Those credentials are still being scrutinised. However, we know for certain that New Zealand farmers are producing a highly nutritious food in one of the most efficient production systems in the world.”

The initial results have been published in an international journal, *Current Developments in Nutrition* (view these [here](#)) and with further publications to follow in the coming year.

More about the Pasture Raised Advantage research programme can be found [here](#), including the latest video highlighting results from the trial.

## THE TOMORROW PROGRAMME

The Tomorrow Programme describes a seven-year investment plan for collaborative Research and Development (R&D) for the red meat processing sector.



The plan seeks to position industry so that all processors can capture the benefits of incorporating new red meat science and emerging technologies into their businesses, raising the overall position of the sector, while providing a platform which individual companies can customise and build technology solutions upon.

The plan outlines a pathway of R&D to support the implementation of that vision. Following a consultation process with industry, the plan has been endorsed by the MIA Council. MIA Innovation is now working with stakeholders to refine the plan and secure funding to implement the research in 2023.



# 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. We do this by collaborating with others to extend our reach and make a greater impact.

B+LNZ's key areas of work in people and training are:

- **Growing awareness about careers in sheep and beef** through ensuring there is a presence at career expos, providing information to trusted advisors and supporting agriculture in schools.
- **Training our people** by providing support and funding for cadet farms, industry training organisations, and programmes across New Zealand.
- **Retaining and upskilling people** through initiatives like B+LNZ's Generation Next programme and support for other leadership and scholarship programmes.

### ***B+LNZ's people and training resources and initiatives***

In response to feedback from our farmers, B+LNZ is supporting the development of people on-farm through our field days, workshops and tools and resources available on [B+LNZ's Knowledge Hub](#).

Some of B+LNZ's initiatives include:

- Generation Next
- Food & Fibre Challenge
- Catchment Community Group Workshops

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

### ***B+LNZ's Employment Hub***

As part of B+LNZ's People and Training workstream, we developed an Employment Hub to assist farm employers and employees at every stage of their journey.

The hub pulls together a range of resources into eight stages of employment to help assist both employers and employees with recruitment, defining on-farm roles, the application process, employee development, and more.

[Click here to access the hub.](#)

## INDUSTRY TRAINING

### ***Muka Tangata - People, Food and Fibre Workforce Development Council***

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 the vocational education system of New Zealand.

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.

Muka Tangata helps industries get the skills and training needed by designing solutions to skill needs, including qualifications, standards and micro-credentials, and advising government on what training to fund. They also review and moderate qualifications and standards to best meet the needs of the food and fibre sector.

The WDC are working with B+LNZ, and others in the industry, to develop a specific workforce development plan for sheep, beef and deer farming. The plan will include a work programme to address both short and long-term challenges and will guide the advice to the Tertiary Education Commission and industry in March 2023.

In its first year, Muka Tangata have worked to establish relationships with key organisations in the food and fibre sector, and with iwi and hāpū Māori organisations to ensure that the aspirations of Māori in the food and fibre sector are clearly heard.

We're proud to say that Jeremy Baker B+LNZ's former Chief Insight Officer is the CEO of Muka Tangata

[Learn more on the Muka Tangata website here.](#)



### **Development of the workforce into the future**

The most common challenge faced across all New Zealand sectors today is access to a workforce with the right skill set.

New Zealand's increasing urban and aging population, partnered with changing attitude towards work, are all contributing factors for the challenges seen in attracting and retaining talent.

Changing consumer demands, emphasis on value-added products and a higher degree of automation and general advances in technology are all increasing the demand for higher skill or specialist skill sets.

Competition for labour is intense and the unemployment rate is 3.4 percent. The closed borders, immigration reset and Covid recovery, all culminate in the chronic workforce shortage evident today.

Individual businesses have done a lot to address workforce challenges. We are continuing to build on this momentum and together we will achieve greater outcomes in partnership with government agencies.

MIA has been developing a Workforce Development Plan on behalf of the sector, demonstrating sector wide commitment to meeting the Sector Strategy goal of:

Growing meaningful employment opportunities, increasing diversity, capability, skills and qualifications of our people and promoting their health and wellness.

The priorities of the plan are:

1. Understand and articulate the workforce needs and trends, these are defined across short-, medium- and long-term horizons.
2. Attract a diverse workforce.
3. Develop capabilities and increase access to training for all employees.
4. Transition the sector to become more agile in adopting modern workplace practices to increase retention and diversity.
5. Increase the sector's ability to adopt workforce innovations and tools of tomorrow.

This will be a collaborative journey, an adaptive response to the current and emerging sector workforce needs. Detail of the targeted and sector specific actions are in draft now. The vision for a sustainable and skilled workforce will inspire and empower our people, who in turn will create returns in productivity value for individual companies, the sector as a whole and our communities.

Additionally, **15 x Regional Skills Leadership Groups** have been created to identify the barriers to employment in their regions, tap into a labour pool that has previously been underserved and underrepresented, and advise on actions to address these, both now and in the future. RSLGs are part of a joined-up approach to labour market planning that will see our workforce, education and immigration systems working together to better meet the differing skill needs across the country.

Automation and mechanisation have the potential to not only supplement human labour and take away the monotonous tasks that people do not want to do but it also to introduce new skills and work-place opportunities. Freeing up the available workforce to do human work like people management, adding value with new product development and making efficient decisions from detailed data points made available by your chosen automated solution.

### **Training meat processor workers**

Prior to Covid-19, New Zealand meat processors trained 5,000 workers per year, with an 83 percent pass rate.

However, a number of factors have resulted in a significant reduction with engagement in formal training and qualifications. The system of training delivery, time away from the production line to complete theory content and the requirement of assessment verification by third parties, have demonstrated that the nature of delivery needs to change to be more flexible and accessible to employees. MIA is working together with PrimaryITO and Hanga Aro Rau to ensure that service delivery from vocational education bodies continues to improve post Reform of Vocation Education (RoVE).

### **MIA Scholarships Programme**

The highly successful MIA scholarship programme enters its sixth year in 2023, having supported the graduate and postgraduate studies of more than 40 students since its inception.

The programme focuses on encouraging highly skilled young people to consider a career in the red meat sector, supporting those who have the potential to become future leaders in New Zealand's largest manufacturing industry. It is aimed specifically at students interested in employment opportunities in the industry beyond the farm gate.

The programme has undergone a revamp in 2023 and will support a maximum of three new undergraduate or post-graduate scholars. The selection criteria have been enhanced to focus on a smaller group of high-calibre students preparing to pursue a career in the sector, while also looking to support students who might not normally have the means to afford tertiary study.

The undergraduate scholarship provides \$5,000 for each year of study for up to three years. The post-graduate awards are \$10,000 a year for up to two years. Alongside funding, the scholarship features a strong mentoring programme including an annual scholar's workshop, connecting scholars with industry leaders, and assistance to secure vacation or part-time work with the New Zealand meat processing industry. Many MIA scholarship alumni have secured internships and graduate roles and are now enjoying rewarding careers in the sector.

The 2023 intake will join the current group of scholars, whose studies vary across a range of disciplines from meat science and engineering to market development, law and commerce.

The twenty strong “class of 2022” gathered for their annual workshop in Christchurch in August, prior to attending the 2022 Red Meat Sector Conference. The scholars noted while the funds from the programme are valuable, the greater benefit is the mentoring and networking aspects of the programme.

Applications for the 2023 scholarship programme are now open and close on 30 November 2022, with announcements of the successful candidates due before Christmas. For further details and the application form, see the ‘Join the Industry’ section at [www.mia.co.nz](http://www.mia.co.nz), or contact Kaylene Larking on 04 473 6465.

## IMMIGRATION INCLUDING HALAL

Immigration can play a part in addressing labour shortages, and the Government has assisted the industry by various visa extensions such as the grant of the 2021 Resident Visa, which provided a border exception for 650 meat processing workers and guidance on how piece rates may be used to calculate pay rates for visas.

It is unclear how the 2021 Resident Visa will impact upon labour supply in the coming years because once those migrants become residents, they may choose to change their employer, industry or location.

The shortage of domestic Halal butchers remains an ongoing challenge for the meat industry. In the last financial year, Halal processing added approximately \$4.1 billion of value and halal certified products made up 44 percent of total exports by volume.

The meat industry will continue to lobby for a specific visa for Halal butchers, given their importance to the whole meat industry.

As part of the industry efforts to recruit halal butchers, in July 2022 MIA organised recruitment and training of suitable candidates in Fiji to take up roles in New Zealand.



Other developments include the Government’s new Accredited Employer Work Visa (AEWV), which commenced in July 2022.

It grants migrants a three-year visa if they are paid at least the median wage, and the re-opening of the border that will allow the grant of working holiday visas again.

While the scheme appears to be working well and is being utilised, visa processing times appear to be mixed and there is still work to be done on streamlining the system.

The Government are consulting on the future of the skilled migrant category including re-introducing a 12-month stand-down for all migrants after three years on a visa, if the migrant does not have a pathway to residency. MIA will be making a submission on the changes that are to be introduced in 2023.

In August 2022, the Government announced a new sector agreement with the industry, which will go some way to addressing the labour shortage.

The agreement includes access to 320 migrant workers for entry-level red meat processing roles at \$24.00 per hour with a portion for pork processing.

Migrants taking up these places will receive seven-month visas and the wage threshold will be updated each year to reflect changes in the median wage to maintain its relative value. The stand-down will apply, meaning that migrants will need to leave New Zealand for four months before applying for another sector agreement visa.

However, there are several shortcomings. The industry’s season is typically 10-11 months per year so the seven-month term is too short, along with the effect of the stand-down provisions. The small number of migrant workers is insufficient to meet industry demands of another 2000 workers. MIA is working with officials to highlight these issues and try to resolve them.

## HEALTH AND SAFETY

Health and safety is an important area of work for MIA, and while companies have the main responsibility to reduce injury rates, there is ongoing collaboration on a number of industry wide initiatives.

MIA facilitates a Health and Safety Forum, which includes company health and safety managers and representatives from MPI, AsureQuality and New Zealand Meat Workers union. The Forum meets regularly to advance these initiatives and to facilitate communication, set industry standards and identify areas for ongoing work. Current priorities for the Forum include:

- Traffic management
- Benchmarking and options for collaborating on data sharing
- Musculoskeletal Harm Reduction Strategies Discussion
- Overlapping duties of MPI AsureQuality on meat premises

# Red Meat Report



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