

# FIELD NOTES

Weekly news update from the KPMG Agribusiness network

9 December 2015

### Organisations referenced in this week's Field Notes include:

AgResearch	New Plymouth District Council
American Soyabean Association	New Zealand Merino Company
Australian Banana Growers Council	Ngai Tahu
Ballance Agri-Nutrients	NZ National Fieldays Society
BNZ	NZPork
Canegrowers Australia	Ornua
Cawthron Institute	Osprey
Fareast Mercantile	Queensland Sugar Limited
Federated Farmers	Rabobank
Fonterra Co-operative Group	Ravensdown
Godfrey Hirst	SAFE
Kerrygold	Sainsbury's
Land & Water Forum	Sanford
Marine Farming Association	Stop the Rot Campaign
Massey University	Tasfoods Ltd
Maui Milk	TBFree
Ministry for Primary Industries	Van Diemen's Land Company
Monsanto Co.	Waikato University
MSF Sugar	Waste Resources Action Programme
National Institute of Water and Atmospheric Research	Watson & Son

### This week's headlines

Apiculture	<b>Manuka boom grips Wairarapa as Ngai Tahu iwi invest in Masterton honey firm Watson &amp; Son</b> [2 December/ Business Day: NZ Farmer]
Animal Welfare	<b>'New Zealand dairy contaminated with cruelty'</b> [6 December/ NZ Herald]
Pork	<b>New welfare standards in pig farming</b> [4 December/ Rural News]
Biosecurity	<b>Fruit fly gone after \$13.6 million eradication programme</b> [4 December/ Stuff: Auckland Now]
Farmers & Producers	<b>Dairy farmer confidence pulls out from rock bottom</b> [7 December/ Business Day: NZ Farmer]



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**HOT OFF THE PRESS:  
KPMG AGRIBUSINESS  
AGENDA 2015 VOLUME 2**

**AgriHQ Pulse: Ian Proudfoot's latest opinion piece****Less than 20 years from Dolly the Sheep to an industrial scale cloning factory: welcome to the uncomfortable future**

The recent announcement of a Chinese Korean partnership to build a large scale animal cloning factory in Tianjin, China is the latest glimpse into what the future of farming and food could look like. The facility is being established to clone working dogs, thoroughbred race horses and potentially up to a million prime beef steers each year.

Securing an adequate supply of livestock to meet consumer demand sits at the core of this proposed development however consumer reaction to the idea of eating meat from cloned animals has been lukewarm at best. Suggestions have been floated that perhaps the members of the country's ruling central committee should be given the privilege to be first to experience the product. The uncertain consumer response to the development is predictable given the inherent caution people have towards the safety of any novel food product.

The more notable aspect of the story to me is that it has taken less than 20 years since scientists in the UK first cloned Dolly the sheep from an adult somatic cell for the technology to be developed to point where it is now able to be scaled to a truly industrial level. It is a clear indication of how the timeframe from initial proof of concept to full scale commercialisation of technology continues to reduce, even for the most radical science innovations.

While New Zealand's farmers may believe a cloned steer will never rival a grass fed, free range animal it is critical the industry does not put its head in the sand in respect of such innovations and choose to ignore them. The cloning of animals resolves the supply issue in respect of animals with desirable traits but does little to address other key consumer concerns in relation to animal proteins, including greenhouse gas emissions from animals and welfare issues, both of which have attracted significant attention and comment in recent days.

Cloned animals are only one solution in a pipeline of potentially transformational innovations that will reshape the way we have traditionally thought about how we produce and eat protein. Whether it is the ability to grow cultured beef (proven at Maastricht University in 2013), produce alternatives to animal proteins from plants to replace meat, fish, milk and eggs or farm alternative lower impact sources of protein (such as that derived from insects) we are facing a world where the mainstream food system will be more diverse than it has ever been historically.

While consumer acceptance of any novel food will always take time, many of the alternatives can make strong claims about being natural, environmentally sensitive and eliminating animal welfare issues, all hot buttons for premium consumers. It is also interesting to note that the vocal anti genetically modified food lobby has been supportive of many of these emerging technologies because they provide solutions to their concerns with GM technologies despite being produced in ways that bear little or no resemblance to traditional farming businesses.

The announcement of the cloning factory again highlights that the future is going to be very different to the present. For those feeling comfortable in their ability to sustain their businesses into the future without responding to disruptive change this should be a rude awakening. The future is coming and it is the paranoid rather than the comfortable that will not only survive but prosper.

This article was first published in the AgriHQ Pulse service on 4 December 2015

**Fieldays**

**Fieldays contributes 'significantly' to primary sector** [5 December/ Rural News] According to the Fieldays 2015 Economic Impact report, the latest Fieldays event contributed \$166 million to the GDP of New Zealand and \$53 million to Waikato. Waikato University Honorary Fellow in Economics, Dr Warren Hughes said the report looked at visitor spending, equipment spending and organisation spending. Dr Hughes said the fall in both Waikato and New Zealand's revenue and GDP was attributed to the dairy downturn, and resulted in a fall in the amount of equipment purchased at the event. Dr Hughes added that all other sectors including sheep, beef, horticulture and wine, are on the up. NZ National Fieldays Society CEO, Jon Calder said he was thrilled with the economic impacts of the event.

**Apiculture**

**Manuka boom grips Wairarapa as Ngai Tahu iwi invest in Masterton honey firm Watson & Son** [2 December/ Business Day: NZ Farmer] South Island iwi, Ngai Tahu has taken a 50 percent stake in premium honey firm, Watson & Son in a deal estimated to be worth more than \$40 million. The deal was confirmed after the company stated it was jointly owned by its founders and Ngai Tahu Holdings Limited. The company, which owns around 25,000 hives, is highly valued for its bioactive medicinal qualities and international exports. Former Watson & Son Chief Executive, Warren Peat said the company has annual turnover of around \$30 million and has produced around 2,000 tonnes of honey. Masterton District Council Economic Development Programme Manager, Tina Nixon said the deal was the latest sign that Wairarapa was becoming a centre of excellence for manuka honey. Ms Nixon added that the iwi had chosen Watson & Son due to its business, environmental and social philosophies.

**Animal welfare**

**Calf abuse video a wake-up call for dairy industry** [2 December/ Radio NZ Rural] Massey University Agribusiness Professor, Hamish Gow said the recent video footage of bobby calves being abused was a wake-up call for the whole dairy industry to lift its standards. Mr Gow said that while New Zealand generally has high animal welfare standards, the few issues it does have can tarnish the industry as a whole. Mr Gow added that high end providers will want to disassociate themselves quickly with any supplier who has an image of poor practices. Mr Gow said the merino industry served as a good example of how to build a solution to create value from a potential crisis.

**'New Zealand dairy contaminated with cruelty'** [6 December/ NZ Herald] Federated Farmers Dairy Chairman, Andrew Hoggard said he is disappointed with animal welfare group, SAFE, after it placed a graphic advertisement aimed at shaming the New Zealand dairy industry in the Guardian newspaper. Mr Hoggard said that by publishing the campaign, only days after the Ministry for Primary Industries and seven industry bodies announced they are to ensure that 100 percent of the dairy industry adhered to New Zealand's high standard of animal welfare, made it clear that the group is trying to hurt the dairy industry rather than highlighting issues. SAFE Executive Director, Hans Kriek said the group launched the campaign because it had learned from the past that the government and farming industry were slow to act when animal cruelty was exposed.

#### Aquaculture

**Cawthron and Sanford team up in \$1m mussel research to prove benefits** [2 December/ Business Day] The Cawthron Institute and Sanford are to work together to examine the health benefits of greenshell mussels. The research will help the industry develop products of appeal to the emerging market of wealthy, ageing, health-conscious consumers, predominantly in China. The research project, which will receive government funding of \$1 million over three years, will look at the potential anti-inflammatory qualities of greenshell mussels as well as how they can improve joint and bone health, and increased mobility. Sanford General Manager Innovation, Andrew Stanley said the research aimed to assist the transition of greenshell mussels from a low-price commodity protein to products that are valued for their unique qualities. The project is one of seven science and business collaborations to receive \$1 million each through the government's High Value Nutrition National Science Challenge.

**Marlborough Mussel farms can co-exist with recreational fishing, says farmer** [4 December/ Business Day: NZ Farmer] Marine Farming Association Vice President, Jonathan Large believed that a new relationship between the Marlborough mussel farm industry and recreational fishers needed to be developed. Mr Large said that the view that mussel farms impact fish stocks needed to be changed and added that in the Coromandel, recreational fishers love mussel farms as they provide eco-systems for the fish. Mr Large believed that mussel farms are part of the future for recreational fishing as they are sustainable, but added that more education is needed about what marine farms actually do. Marine farms current cover around 2 percent of water space in the Marlborough Sounds.

#### Dairy

**Fonterra's new \$141m Australian plant** [2 December/ NZ Herald] Fonterra Australia is to invest \$141 million into building a new cheese plant at its Stanhope factory in Victoria, replacing the previous facility which was destroyed by fire last year. The new, larger facility will produce cheese for Australian consumer, foodservice and export markets. Fonterra said the new plant will not increase its debt levels, with funds reinvested from the co-operatives AUD 74 million sale of Bega as well as from insurance claims. Fonterra Oceania Managing Director, Judith Swales said the new plant will help the co-operative get the maximum value from its milk and increase returns from the Australian business. The new plant is expected to be able to produce 45,000 tonnes of cheeses each year, an increase of around 15,000 tonnes on the previous plant's capacity. Ms Swales said construction on the new plant will begin in 2016 and is expected to be completed in 2017.

**Contractors scared to speak out over Fonterra payment changes** [3 December/ Business Day: NZ Farmer] Business owners feel they have been bullied by Fonterra over changes to cut prices and increase the time it takes for them to be paid. Fonterra asked contractors and suppliers to find efficiencies across their operations to reduce prices by 10 percent. The co-operative also told some contractors that payments would now be sent 61 days after the end of the month of the invoice, rather than the 20th of the month following the invoice date. Wanganui National Party MP, Chester Borrows said contractors were angry about the changes, but were afraid to speak up and risk losing business. Mr Borrows added that the co-operative was bullying contractors to drive down prices and to obtain free credit. One contractor said Fonterra was trying to get 90 days of interest-free working capital and added that the change in the payment method would be a significant inconvenience, as most suppliers expect payment on the 20th of the month following. Fonterra said the changes made the co-operative more resilient to volatility.

**Fonterra opens its multimillion-dollar Pahiatua plant** [7 December/ Business Day: NZ Farmer] Fonterra has opened its new \$240 million Pahiatua whole milk powder plant. The rebuild has enabled Fonterra to triple the amount of milk powder made at the plant. Fonterra Chairman, John Wilson said the Pahiatua plant made 140,000 tonnes of whole milk powder each year and exported to 20 countries. Mr Wilson said 45 new jobs were created when the site was revamped.

#### Sheep milk

**Sheep milking boost likely** [7 December/ Radio NZ Rural] Maui Milk General Manager, Peter Gatley said the chance discovery of frozen East Friesian sheep embryos is expected to boost the industry in New Zealand. Mr Gatley said the embryos would allow the company to increase its milk supply, and added that the females born from the embryos would be milked in 2016. Mr Gatley said more milk is needed to meet demand, as well as adding efficiency to the business. Mr Gatley added that milking sheep was a good way for farmers to diversify and meet the environmental regulations in the Taupo and Rotorua regions.

#### Pork

**New welfare standards in pig farming** [4 December/ Rural News] New pig farming welfare standards have come into effect, meaning sows and gilts must not be confined in stalls during pregnancy. The use of mating stalls for service is permitted, but for no longer than one week. NZPork has put in place a traceability system to give consumers the confidence that the pork they purchase meets the new standards. Compliance with the new standards is a requirement for PigCare Accreditation, with only accredited pork eligible to be labelled as 100 percent New Zealand pork. Imported pork does not have to meet the new requirements.

**Rural infrastructure**

**Jobs to go after \$20 million TB funds cut** [7 December/ Business Day: NZ Farmer] Around 20 jobs at both TBfree and Ospri are to be restructured following a \$20 million budget cut of the latter's TB programme. Ospri Chief Executive, Michelle Edge said the areas affected will be North Island's pest management operation and corporate services. The funding change resulted from significant progress in eradicating TB, meaning less work is needed. Part of the funding change will remove Ospri's reliance on a formal application process to regional councils for TB work funds, varying between \$4 million and \$6 million per year. Ms Edge said Ospri will continue to work with councils on specific and regional needs and deliver services. The restructure is intended to reduce operating costs, while achieving services improvements. Ms Edge said number of new roles would be created, including a chief operating officer and NAIT programme manager. The restructure expected to be finalised by the end of the month.

**Fert co-ops take it on the chin, back farmers** [8 December/ Dairy News] Ballance Agri-Nutrients said it will continue to absorb the impact of a weaker New Zealand dollar and hold prices for most major nutrients through December. Urea and DAP prices will remain unchanged, while potash prices will be reduced by \$20 per tonne. Superphosphate prices however will rise \$3 to \$330 per tonne. Ballance Agri-Nutrients Chief Executive, Mark Wynne said the decline of the New Zealand dollar had put the co-operative under pressure, but it decided to keep prices low to support farmers. Mr Wynne added that some adjustments may be necessary between now and the next price review in March. Ballance advised farmers to leverage recent rainfall with its nitrogen products to boost pasture cover before heading into a potentially drier-than-normal summer. Ravensdown Chief Executive, Greg Campbell said the co-operatives lower superphosphate price, between September and December, has saved farmers around \$1.3 million. Ravensdown has also reduced the price of its potash by \$20 per tonne, while keeping other products such as urea and DAP unchanged at \$575 and \$875 per tonne respectively. Ravensdown also increased the price of superphosphate to \$330 per tonne, an increase of \$10. Mr Campbell said that despite exchange rate pressures and short term volatility, the co-operatives operational efficiencies allowed it to deliver value to shareholders.

**Wool**

**Wool carpet to be sold in Australia** [3 December/ Otago Daily Times] Godfrey Hirst is to sell wool carpets, made from New Zealand Merino Company 28.5 micron wool, in Australia from January. New Zealand Merino Company supplied wool to Godfrey Hirst for production trials, with the success of those trials giving the latter the confidence to start production runs, contracting 150 tonnes of mid-micron fibre from this season's shearing. New Zealand Merino Market Development Manager, Hadleigh Smith said the agreement was exciting as it connected the two ends of the supply chain. Ms Smith said the company is working to develop innovations in the market and on-farm that can open up new commercial opportunities across all wool types. BNZ Bank said wool exports had increased by 9 percent this year, with the increase reflecting a price improvement due to a lower New Zealand dollar. BNZ added that both wool production and export volumes have been subdued as a result of lower sheep numbers.

**Food safety**

**Too soon to assume China is source of contaminated frozen berries, MPI officials tell MPs** [3 December/ National Business Review] The Ministry for Primary Industries has said it has found no link between frozen berries from China, which were blamed for an outbreak of Hepatitis A in Australia early this year, and the contaminated fruit sold in New Zealand. Ministry for Primary Industries Deputy Director-General, Scott Gallacher said the ministry conducted due diligence to ensure the brand that caused the Australian outbreak was not being supplied to New Zealand. The ministry has also imposed an emergency food standard on imported frozen berry fruits, tightening scrutiny and requiring importers to conduct their own tests of samples of their fruit. Mr Gallacher said stricter screening had been put in place for all imported berries because the information to date had not identified the source country.

**Research and development**

**Three new million-dollar projects for AgResearch** [3 December/ Rural News] Three AgResearch projects have been successful in the recent High Value Nutrition contestable funding round. The aims of the projects included creating beef that reduces cholesterol levels, milk that reduces the risk of allergies in children and cows' milk for the dairy-intolerant. All three projects are funded for three years, receiving \$1 million in funding from the programme as well as investment from industry partners. AgResearch Research Director, Professor Warren McNabb said the programme will help increase the value of New Zealand exports through scientifically validated health claims. AgResearch was also successful in the Priority Research programme, and will receive \$3.6 million for research into the relationship between nutrition and gut health.

**Biosecurity**

**Fruit fly gone after \$13.6 million eradication programme** [4 December/ Stuff: Auckland Now] The Ministry for Primary Industries has announced that the Queensland fruit fly has been eradicated from the Auckland. The Ministry for Primary Industries spent \$13.6 million on resources during the eradication programme. Ministry for Primary Industries Director General, Martyn Dunne said it was difficult to pinpoint how the fly first arrived. Mr Dunne added that the millions spent on traps, fruit bins, and destruction of fruit and vegetables was a small price compared to the risk posed to the \$3.6 billion horticulture industry. The ministry said routine checks will continue and that the 7600 fruit fly surveillance traps would stay in place around the country. The eradication announcement meant restrictions in the exclusion zone have now been lifted.

**Drought**

**'Super' El Nino on the cards** [2 December/ Rural News] According to the National Institute of Water and Atmospheric Research, current El Nino conditions are on track to be at the same level as the 1997/98 event, which was the strongest since 1950. NIWA Climate Scientist, Petra Chappell said rainfall is forecasted to be below normal for the next three months. Ms Chappell recommended that farmers have action plans specific to their locations. Ms Chappell added that most of the country was dry during October, while the west of the South Island was wet. November was much drier across the country in terms of soil moisture, with soils rapidly drying out in the last few months. Ms Chappell said that while most of the country is expected to be dry, El Nino events do have rainfall anomalies which means it could behave differently than one's before. NIWA Principal Forecasting Scientist, Chris Brandolino said dry conditions could be accentuated during December through to February.

## International

**Monsanto pledges to be carbon neutral by 2021** [2 December/ NZ Herald] Monsanto Co. has announced it is to become carbon neutral by 2021. Monsanto CEO, Hugh Grant said part of the company's plan is to work with thousands of farmers, who use the company's products. Mr Grant said the company is to develop an incentive programme for farmers, encouraging the use of environmentally friendly production methods. Mr Grant added that farmers have a major part in mitigating climate change, rather than being the problem. The company also pledged to reduce the footprint of its seed production operation through breeding, plant biotechnology, conservation tillage and the use of cover crops. American Soybean Association Chairman, Ray Gaesser said farmers needed to protect the environment, but needed education on how to do so.

**Sainsbury's hands Derbyshire town £1m to tackle food waste** [2 December/ The Guardian] Sainsbury's supermarket is to invest GBP 1 million into a collaboration project with a Derbyshire town to trial ideas such as growing mushrooms in coffee and artificial noses to detect whether food is safe to eat. The project is in response to growing pressure for supermarkets to reduce food waste in their supply chains. Sainsbury's Chief Executive, Mike Coupe said the supermarket plans to spend an additional GBP 10 million over the next five years to promote similar schemes. Mr Coupe added that food waste is currently one of the biggest environmental issues across the United Kingdom. According to the Waste Resources Action Programme, around 1 percent of food wasted in the United Kingdom comes from supermarkets, while around half of food waste is disposed by households. The Stop the Rot campaign group has called for supermarkets to reduce waste by at least 30 percent by 2025.

**Lobster, schlobster: Seaweed is Maine's hot new product** [3 December/ NZ Herald] Maine has become the United States' largest producer of seaweed. The state now supports more than 20 companies that grow or collect seaweed, double the amount ten years ago. It also harvested around 8000 tonnes of seaweed in 2014, the most ever recorded for the state and more than four times the amount harvested in 2004. University of Maine Botanist, Susan Brawley said there is ever-growing interest in sea vegetables, with Americans becoming increasingly conscious of eating healthier, nutritious foods. According to the Food and Agriculture Organization of the United Nations, global annual seaweed production is around 25 million tonnes and is dominated by China, Indonesia, the Philippines, South Korea and Japan. Harvesters have said they have leveraged Maine's marine heritage and the boom in natural foods to grow interest in the state's seaweed. South Portland Seaweed Farmer, Tollef Olson said the state has focussed on seaweed aquaculture, rather than wild harvesting, so it can sustain the industry by having control over the seaweed.

**Ornua opens new Kerrygold packing factory in Nigeria** [3 December/ The Irish Times] Ornua (formerly the Irish Dairy Board) has opened a new Kerrygold packing factory in Nigeria. The facility, which is a joint venture between Ornua and Fareast Mercantile, will provide a new route to market for Irish powdered milk, which will be exported to Nigeria and packaged under the Kerrygold brand. Ornua Chief Executive, Kevin Lane said the joint venture is important for Irish farmers as it offered an enhanced route to market for additional milk volumes. Nigeria is currently one of the top three importers of powdered milk products in Africa, importing around 166,000 tonnes last year. Ornua is expected to make around EUR 3 billion in sales when following the lifting of European milk quotas, with increased demand for new powdered products in Asia and Africa.

**Sugar hits the fan as MPs back growers' right to control cane sales** [4 December/ The Australian] The dispute between Australia's canegrowers and foreign-owned sugar mills is set to intensify after the Queensland Parliament passed a bill which will allow farmers to choose which company can sell their sugar. The Queensland government slammed the Sugar Industry Amendment Bill 2015 as an unwanted return to regulation and a threat to future foreign investment in the state. As a result of the legislation, Thai-owned MSF Sugar is suspending planned capital investment at its four Queensland mills as the amount of sugar it can process, export and sell directly is in doubt. Agriculture Minister, Bill Byrne said the vote for partial re-regulation jeopardised the industry's jobs and future investment. The new law will give growers the right to choose if the raw sugar they produced is sold through Queensland Sugar Limited at its set price, a process growers say is more transparent, or by their local mill at a price foreign companies claim will be higher because they are better global players. Canegrowers Australia Chairman, Paul Schembri said the new law will be good for the industry as it gave growers a choice.

**Japan bans French foie gras imports over bird flu virus** [5 December/ Agence France Presse] Japan has banned imports of French foie gras after the European Commission confirmed birds at a French chicken farm were infected with the H5N1 bird flu strain. The ban, effective as of 26 November, will be lifted 90 days after all affected French poultry farms finish culling their birds and conclude necessary sanitary procedures. French poultry products made before October 23 can be imported. Algeria, China, Egypt, Japan, Morocco, South Korea, Thailand and Tunisia have banned French poultry imports following the outbreak.

**Banana lovers should be worried by return of Panama disease as TR4** [7 December/ Business Day: NZ Farmer] Australian banana growers are becoming increasingly worried by the return of a new Panama disease strain called Tropical Race 4 Fusarium wilt or TR4. The new strain has already been discovered at a Tully Valley farm outside Cairns, resulting in crisis meetings in the city. There is no known chemical, biological or physical method for killing the soil-borne fungus, which can be transported by earth, water and plant material. Strict quarantines and control measures been put in across the region, with the Australian Banana Growers Council's website setting out contamination procedures. Flooding however remains a real concern for the region. The disease was also a hot topic at the Banana Industry Congress in June, while field days on the disease have been well received. The banana industry said it hopes to develop new disease resistant variety of banana, while the Australian government said it will do its very best to protect the AUD 570 million industry.

**Ruling clears way for Chinese takeover of VDL** [8 December/ The Australian] Australia's largest dairy operation, Van Diemen's Land Company, is set to be sold to Chinese businessman Lu Xianfeng, after Tasfoods Ltd had its injunction lifted by the Victorian Supreme Court. Tasfoods claimed it had an offer accepted by the operation's owner, the New Plymouth District Council. The council instead later accepted the higher bid from Mr Lu. TasFoods Chairman, Rob Woolley said he and his investors were disappointed and would consider all options, including an appeal. New Plymouth City Council Mayor, Andrew Judd welcomed the court's decision and defended the handling of the sale process.

## Water

**Federated Farmers signs Land & Water Forum report with conditions attached** [5 December/ Business Day: NZ Farmer] Federated Farmers has added its name to the signatories of the fourth Land & Water Forum report, after it received the support of its national council. Federated Farmers Water Spokesman, Chris Allen said the federation signed the report to show commitment to the forum, with the condition that it can continue to discuss the report and consider its options. The key concerns the federation has are clauses relating to iwi rights and interests, and how they may be interpreted by local councils. Mr Allen said the federation was concerned that some local governments may pre-empt negotiations between iwi and government by unreasonably locking up water. Mr Allen said the government has the opportunity to create more access to water by supporting and contributing to water storage and infrastructure projects.

## Farmers and producers

**Dairy farmer confidence pulls out from rock bottom** [7 December/ Business Day: NZ Farmer] According to the recent Rabobank Rural Confidence Survey, farmers spirits have risen sharply when compared with the previous six months. While the number of farmers expecting the rural economy to deteriorate still outnumbered those who believed it may improve, the difference between the two was much lower than previously. The amount of farmers who expected improvement over the next year increased by 10 percent to 24 percent. Around 45 percent thought conditions would remain the same, up from 32 percent, while those who expected the economy to deteriorate fell from 53 percent to 30 percent. Rabobank Country Banking Manager, Hayley Moynihan said farmers across all sectors were more optimistic, led by the improved prospects for the dairy industry. Horticulturists were the most optimistic of all farmers surveyed, while sheep and beef farmers were slightly more positive than their dairy counterparts. Farmers were also more confident about their own business performance, 34 percent expected an improvement over the next year, 43 percent expected it to remain the same, and 22 percent expected it to worsen. Ms Moynihan said that while dairy farmers may be more confident, they were still aware that the immediate future will be tough as cash flows in the sector remained tight.

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Field Notes presents a summary of some of the media comment on the Agribusiness sector in the last week. The views expressed do not necessarily represent the views of KPMG but are summaries of the articles published.

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