



Hot Off The Press:
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 Agenda 2018**

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AGRIBUSINESS

Field Notes

Weekly news update from the KPMG Agribusiness network

21 November 2018

Organisations referenced in this week's Field Notes include:

Archer Daniel Midland	NZ Shearing Contractors Association
Beyond Meat	Perfect Day
Blackbird Ventures	Plant and Food Research
Blue River Dairy	Quorn Foods
Callaghan Innovation	Rabobank
Comvita	ReFED
Dairy Australia	Resource Reform NZ
DairyNZ	Robotics Plus
Danone-Nutricia	Rural, Regional, Remote Women's Network
Farmlands Co-operative	Sanford Group
Federated Farmers	Sunfed
Greenpeace	The a2 Milk Company
Ministry for Primary Industries	University of Otago
Ministry of Health	Veterinary Council of New Zealand
Mintel	Waikato Regional Council
MyFarm	Yahama
North Otago Irrigation Company	

This week's headlines:

Apiculture	Large scale mānuka investment a first for New Zealand [19 November/The Country]
Biosecurity	Government gets tough over Nait, fines 80 farmers [16 November/Stuff]
Agri-Tech	Yamaha puts \$12m into Tauranga's Robotics Plus [15 November/NZ Herald]
Economics and trade	'Cold war' could force choice [17 November/Otago Daily Times]
Emerging Markets	Taxpayer, Stephen Tindall chip in as chicken-free chicken maker raises \$10 million [15 November/NZ Herald]



Apiculture

Large scale mānuka investment a first for New Zealand [19 November/The Country] Comvita has partnered with rural investment company MyFarm to offer New Zealanders the opportunity to own an interest in an mānuka plantation. MyFarm chief executive Andrew Watters said the collaboration was the first large scale mānuka investment of its kind in New Zealand and it will increase export returns from high value mānuka honey. From an environmental perspective, he said the plantation was storing carbon, reducing soil sediment loss and improving biodiversity. Investors in Waimarie Mānuka Limited Partnership will own 1800 hectares of lower North Island hill country which would be developed and share-farmed by Comvita. Returns will commence from year one and are forecast to grow to double digit returns from year five on. Comvita had a strategy to increase its supply of high unique mānuka factor (UMF) honey by breeding genetically superior mānuka plants and increase plantings in New Zealand's best growing locations. Honey from naturally grown mānuka typically had an average UMF rating of 6-7, whilst honey produced from Comvita's mānuka varieties would be expected to average ratings of greater than 10+.

Biosecurity

M. bovis confirmed on Waikato and Manawatū farms [16 November/The Country] Two dry-stock farms, one in the Waikato region and one in the Manawatū, have this week been confirmed as infected with *Mycoplasma bovis*. The Ministry for Primary Industries (MPI) said the farms were both connected to previously identified Infected Properties (IPs) through animal movements. MPI said there were 36 IPs with 42 previously IPs that had had their status lifted which was as a result of depopulating infected stock and undergoing the 60-day stand-down period during which cleaning and disinfection took place.

Government gets tough over Nait, fines 80 farmers [16 November/Stuff] In the last few months 80 infringement notices have been handed out by MPI relating to farmers compliance with the National Animal Identification and Traceability system. One fine was for unregistered animals, however most were for not correctly recording livestock movements. Federated Farmers dairy group chairman Chris Lewis welcomed the news, saying it showed MPI was taking a harder line. Offenders might not be so lucky if proposed changes to the NAIT Act take effect once the legislation is overhauled next year. A discussion paper says the present limits risk large scale offending not being penalised as serious offending may involve hundreds of animals and proposes penalty limits should be aligned with those in the Biosecurity Act and Animal Products Act. Agriculture Minister Damien O'Connor said the Government had been making changes to ensure NAIT was easier to use and a more effective biosecurity tool following its poor performance during the M bovis outbreak.

Scientists get \$13 million boost in war on tree killing scourges [20 November/NZ Herald] Research, Science and Innovation Minister, Megan Woods, has announced that the Government is investing a further \$13.75 million into research programmes that are targeting kauri dieback and myrtle rust. The diseases have become prominent in recent years and there are currently no silver bullet cures to stop the diseases spreading across the country. The new funding will be contracted through the Government's Strategic Science Investment Fund and is on top previously allocated funding. Minister Woods said that it is vital that the work gets underway now to ensure that we combat these two pathogens and protect Taonga species across the country. The strategy to co-ordinate research is being managed through New Zealand's Biological Heritage National Science Challenge.

Agri-tech

Yamaha puts \$12 million into Tauranga's Robotics Plus [15 November/NZ Herald] Tauranga ag-tech startup Robotics Plus, a maker of automation systems in horticulture and forestry, has revealed an USD8m (\$12m) investment from Yamaha. The Japanese giant has now put in a total of USD10m, including an earlier investment in May, giving it a 15% holding in the company with the balance of the company still being held by the co-founders. Co-founder and Maori Economic Advisory board member, Steve Saunders, says the new funds will be used for Robotics Plus' UGV (unmanned ground vehicle) and a forestry project still under wraps, as well as pushing its apple-packer, which is already in the market. He's also in the process of setting up a US subsidiary. The company has also received a grant from Callaghan Innovation that could be worth up to \$5 million a year through to 2021 to support its R&D programme. Mr Saunders says that the company is still in start-up mode so its R&D burn rate currently exceeds its revenue but he expects this to change in the coming year as more agricultural businesses recognise the need to use sophisticated and precision robotics technologies to secure the food supply that the world needs.

Environment and emissions

'Poisoning for profit': why Greenpeace wants to get rid of synthetic nitrogen [15 November/Stuff] Greenpeace wants the New Zealand Government to ban the use of synthetic nitrogen on New Zealand farms, orchards and market gardens. Not all of the nitrogen put on the soil is taken up by plants but instead travels underground and ends up polluting aquifers and rivers. Last year's report by the Ministry for the Environment on the state of freshwater showed nitrogen levels in more than 70% of waterways had deteriorated. DairyNZ carried out an exercise on two Waikato farms from 2002 to 2011, one applying synthetic N, the other none. For 6 of the 9 years, both farms had the same level of profit. When the milk price rose, it became more financially worthwhile to put on synthetic N. Some say New Zealand's economic future would be at stake as production would take a severe dent without synthetic N. Greenpeace contends it is about the future of freshwater, although it also says production need not be impacted by a ban on synthetic N. Whilst it takes up more land, Greenpeace's solution is "regenerative" farming - by using 100 kg of nitrogen fertiliser and increasing the variety of crops from 1 to 16 species. Fertiliser companies argue soil testing, modelling software, GPS-controlled spreading and interactive mapping ensure fertiliser is spread at the right rate, time and place provide solutions that will assist New Zealand farmers in maximising profitability will minimising their impact on the environment.

Council finds dairy farm using a bathtub for effluent storage in latest inspections [18 November/Stuff] Almost 30 per cent of Waikato farms inspected for effluent compliance have been found to be significantly non-compliant this season - including one that was using an old bathtub to store its effluent. The Waikato Regional Council's farm services team has inspected 232 "high risk" farms since July 1 - of these 34 had upgraded their facilities while 69 (29 per cent) were found to be significantly non-compliant which included some who were significantly non-compliant from the previous season. Some farms had been visited three to four times since July 1 because issues were so serious. Farming services team leader Stuart Stone said it was increasingly farmers who were reporting non-compliance. "The farmers that are putting in the effort with infrastructure, they are really looking out for people that aren't pulling their weight and giving the dairy industry a bad name."

A coalition of powerful business groups urges a complete overhaul of the resource management system [19 November/Stuff] The Resource Reform NZ group, comprised of the Employers and Manufacturers Association, Infrastructure New Zealand, Property Council New Zealand, the Environmental Defence Society and BusinessNZ, are calling for a complete overhaul of the resource management system in New Zealand. The Environment Minister David Parker had indicated a wide-ranging review commencing in 2019, which was welcomed Connal Townsend, chief executive of Property Council New Zealand. Stage one would reverse some changes made by the previous Government in 2017. Stage two would be a more comprehensive review of the resource management system and build on Government priorities in urban development, climate change and freshwater. Resource Reform NZ has been calling on the Coalition Government to be bold and visionary by undertaking a review that covers the whole planning system including the complexity of the laws, the interrelations between the responsibilities of local, regional and central government and the lack of funding to ensure roles are completed by appropriately resourced organisations.

Animal health

Shortage of vets a cause for concern for rural and urban areas [18 November/Stuff] A national shortage of vets has New Zealand's rural sector on high alert. Rural veterinary practices are finding it tough to fill vacant roles, impacting the availability of services to farmers and in MPI's view putting biosecurity surveillance at risk. Miles Anderson, Federated Farmers meat and wool industry group chair, noted that a lot of people who are training to be vets are into the variety found in small animals and have gravitated to urban areas. He added that many of the students do not come from rural areas and certainly don't want to be practicing in what they see as the middle of nowhere. Vets are on Immigration New Zealand's long term skill shortage list and according to Veterinary Council of New Zealand statistics from June this year, about 30 per cent of practicing vets are currently qualified overseas. To help combat the rural vet shortage, MPI established the Voluntary Bonding Scheme, which provides for up to 30 graduates working with production animals in rural areas to be eligible for \$55,000 over five years as an incentive.

Rural communities

Virtual rural health school plan unaffected by Govt move [17 November/Rural Life] A proposal by the University of Otago and other providers to create a virtual school for rural health remains very much alive despite Health Minister David Clark announcing that the Government would not support a Waikato University initiative to establish a \$300 million school of rural medicine. Otago public health professor Peter Crampton, one of the authors of the New Zealand Medical Journal article in which the virtual rural health school proposal features, said Dr Clark's statement did not affect the virtual campus proposal. Dr Clark said he had asked the Ministry of Health to work on projects to tackle access to health services in rural areas, further commenting that training more undergraduate doctors alone is not the answer and that a more comprehensive approach was needed to attract, support and sustain the health professionals that care for rural people.

Dairy

Award-winner Blue River Dairy fourth on Fast 50 index [16 November/Rural Life] Invercargill's Blue River Dairy appears set to cement its place in the Fast 50 index for some time, given it expects to double its exports next year to 15 million cans of infant milk powder. At an Auckland awards ceremony for the annual Fast 50 survey, Blue River Dairy won the New Zealand's Fastest Growing Exporter award and the Fastest Growing Agribusiness award, and was ranked 4th overall on the annual index, having achieved revenue growth of 938% over 2 years. Blue River makes infant formula from the milk of cows, goats and sheep, with no mixing of the proteins between species. Blue River Dairy General Manager, Robert Boekhout, said that as the demand for quality New Zealand-manufactured products increased, especially in China, and that Blue River was the only infant nutrition plant in the world manufacturing infant formula products from 3 species. A new \$15 million canning line capable of meeting the 15 million can forecast is on schedule to open after mid-2019. Staff numbers have more than doubled to 110 in the past 18 months. Blue River Dairy was founded in 2003 and sold to Chinese company Blueriver (HK) Nutrition Co in February 2015 for an undisclosed sum but with a commitment to invest up to \$40 million on developing the business.

A2 Milk net profit rockets up 65 pct in first four months [20 November/NZ Herald] The a2 Milk Company said its net profit has increased by 64.5 per cent to \$86 million in the first four months of the new financial year, compared with the corresponding period last year, and that it was well prepared for any cross-border regulation changes in China. The dual-listed alternative milk company, said in a trading update that revenue came to \$368.4m, up 40.5 per cent over the same period last year. The company's earnings before interest, tax and amortisation came to \$124.9 million, up 60 per cent. In speech notes issued before the meeting, chief executive and managing director Jayne Hrdlicka said the company had a well-managed "daigou" unofficial trading network and had been anticipating rule changes governing the trade for some time. Potential difficulty on the China regulation front has troubled a2 Milk's share price from time to time, but Ms Hrdlicka said the company continued to believe that the regulatory outlook was positive. As a part of the new e-commerce rules, January 1, 2019, will see the implementation of tighter compliance to tax rules for all goods through cross-border and daigou channels.

Water

Focus now on selling remaining shares [16 November/Otago Daily Times] With the final stage of its infrastructure construction project complete, the North Otago Irrigation Company is now in a position to focus on selling its remaining shares. Waitaki District Council loaned the company \$17 million in 2015 to help fund its 10,000ha stage 2 expansion to its irrigation scheme. The company now irrigates about 64,000ha of land in the district. For the year to June, the company earned revenue of \$12.6 million and booked an operating profit of \$3.25 million. Its after-tax profit was \$178,000, with \$160.5 million reported in assets. After a delay of several months caused by issues with contractor McConnell Dowell, the \$57 million project was completed in September 2017. Commercial manager, Stephen Craig-Pearson, said that the company was now able to properly shift its focus from construction to its business operations. He said demand for water last December and in January this year was the highest the company had seen in its history, giving those who were part of the scheme "more confidence" in it. There are 20,000 shares and at \$5250 each, the remaining shares' face value is just under \$15 million. Chairman Matt Ross admitted that selling shares had been troublesome as a result of higher than average rainfall in recent times, and would target areas where there are "dry holes". Paul Hope, the council's representative on the company's board, said progress would be closely followed.

Economics and trade

'Cold war' could force choice [17 November/Otago Daily Times] New Zealand's agricultural sector is being advised to look for alternate trading markets with the developing "cold war" between the US and China. The increasing trade tensions between the superpowers could produce a situation in which New Zealand is forced to choose sides, Rabobank's head of financial markets research for Asia-Pacific, Michael Every, says. Given its significant trade ties that New Zealand has with both countries, China is now New Zealand's most important trading partner but also has a significant US trade relationship and historically strong diplomatic and cultural ties. Mr Every noted that last month the US concluded a new trade deal with Canada and Mexico, which requires those countries to notify the US before entering into any agreements with non-market economies such as China. He believes at some point the US is going to come crashing back into the Asia-Pacific region because it's so geopolitically important and suggested that the price of protecting New Zealand may well be a new trade deal on terms set by the US and which forbids, or greatly restricts, dealing with China. Mr Every said New Zealand farmers and exporters should look to diversify to other offshore markets, before any demands by either the US or China, significantly impact its ability to trade with the other suggesting markets like Japan, Indonesia and India should be priorities.

Research and development

First observational study on breastmilk composition could drive scientific, technological and commercial advancements [15 November/Dairy Reporter] A world first study conducted by Plant and Food Research in the Manawatu/ Whanganui regions has analysed dietary intakes and breastmilk nutrient composition to aid the development of supplements or programmes to support the health of breastfeeding mothers. The programme, funded by Danone Nutricia, involved 78 women who recorded their food and provided a number of breastmilk samples, which were analysed for protein, fat, fatty acids, carbohydrates and a range of minerals. The sample group involved women of varying ages from a range of ethnic backgrounds. The most significant conclusion was that the concentrations of certain nutrients varied considerably among the ethnic groups, perhaps due to differences in culturally influenced dietary and lifestyle patterns. Despite these differences all the mothers had similar amounts of the main macronutrients in their breastmilk (particularly protein, fat and carbohydrates). Lead researcher, Dr Christine Butts, said that the consistency of breastmilk containing the essential micronutrients for the baby regardless of diet is a great example of how simply amazing the human body is.

More than \$420m in funding boost for National Science Challenges [17 November/Radio NZ] All of the National Science Challenges have been given an injection of more than \$420 million to expand and extend their research programmes. The 11 science challenges were launched in 2014 by the National Government to target issues like climate change, housing and mental health. The Minister of Research, Science, and Innovation, Megan Woods, said a mid-way review of the programme had shown that they were delivering worthwhile research, adding that over 150 projects are now underway and already delivering over 400 publications. Science for Technological Innovation received the most funding, up from \$33.3m in the first five years to \$72.7m for the second. Our Land and Water, which is focused on primary sector production and productivity, also jumped from \$27.6m to \$69.3m. The development of high-value foods in High-Value Nutrition increased from \$30.6m to \$53.2m. Total investment in the programme now stands at \$681m.

Rural supplies

Two new faces for the Farmlands board/ Farmlands appoints John Journee to Board of Directors [20 November/Farmlands Press Release] Farmlands have announced that Dawn Sangster and Gray Baldwin will join the Co-operative's board having been elected by shareholders in the recent completed Board election. Sitting Director, Rob Hewett, was also re-elected. Chairman, Lachie Johnstone, congratulated the new arrivals to the board and thanked the unsuccessful candidates who stood for election. He added that while the co-operative was losing two experienced Directors who are retiring this year the Board is able to welcome shareholders who know their business, know the co-operatives business and bring significant experience and expertise to the board table. Mr Johnstone also announced that John Journee will be joining the Farmlands board as an Independent Director. Mr Journee is currently a Non-Executive Director on the Board of The Warehouse Group and was previously CEO of Noel Leeming. Mr Journee said that he was pleased to be joining the Board noting that he was impressed by the co-operatives clear strategic vision and their particular focus on outstanding customer service.

Emerging markets

Taxpayer, Stephen Tindall chip in as chicken-free chicken maker raises \$10 million [15 November/NZ Herald] Auckland-based start-up, Sunfed Food, which currently makes a chicken-substitute made from chickpeas, has announced that it has raised \$10 million in a Series A funding round. The round was led by Australian venture capital fund Blackbird Ventures, which now holds an 11 per cent stake in the company. Sir Stephen Tindall's K1W1 fund (5 per cent) and New Zealand Venture Investment Fund, which now owns 1.4%, also participated in the round. Sunfed co-founders Shama and Hayden Lee remain the largest shareholders with a combined 58 per cent stake. The pair say their Chicken Free Chicken product has proven itself in both major supermarket chains and will shortly be followed by a new Bull-Free Beef product and Bacon-Free Bacon. The Series A funds will be used to increase production and to expand into Australia, Shama Lee says. Reaction on social media has been broadly positive. Blackbird Ventures partner, Samantha Wong, said the company had been following the future of food for some time and was excited to be investing Sunfed's mission driven approach and focus on creating products that even the most committed carnivores can enjoy.

Fishing

Sanford's full year profit hit by climate change impact [15 November/Radio NZ] Listed fishing company, Sanford Group, said its full year profit rose by 13 percent to \$42.3 million in the 12 months ended in September. It was boosted by an insurance payout to cover earthquake damage to a mussel processing facility in Havelock, which had contributed to an overall drop of 15 percent in the mussel harvest, over the year earlier. Otherwise, underlying profit rose 1.5 percent to \$64.7m. Increased prices, primarily for fresh hoki, helped drive sales up 7.7 percent to \$515m. Sanford chief executive Volker Kuntzsch said climate impacts including high water temperatures during the summer had resulted in lower volumes of salmon, mussels and wildcatch. However, the company's move to extract greater value from wild and farmed seafoods had helped offset the lower volume.

International

Sustainability, healthy aging and convenience top Mintel's 2019 global trends [14 November/Food Navigator] Market Researchers, Mintel, have released their picks for the mega trends that will shape the food system in 2019. They suggest that Evergreen Consumption is the emerging sustainability trend as consumers increasingly focus on the entire product lifecycle from farm to retailer to fork to bin and ideally to rebirth as a new plant, ingredient, product or package. Consumers want confidence that products are kept in use for as long as possible which will require increased collaboration between suppliers, manufacturers, governments, non-profits, retailers and consumers. Mintel also believe the current dialogue around the contribution that food makes to wellness will evolve into the provision of more solutions for healthy ageing however these will be targeted at more demographic groups as lengthening lifespans as consumers increasingly view health and wellness as a holistic, proactive and an ongoing pursuit. The other key trend predicted focuses on a new wave of convenience shortcuts including the expansion of individual meal kits at retail, food service inspired beverages, a new generation of prepared meals and associated products that emulate the flavours and formats of restaurant meals.

US Food Waste start-ups have raised USD125 million+ in 2018 as grant funding in the space grows 70% [15 November/AgFunder News] A new report from ReFED, the non-profit organisation dedicated to decreasing the amount of food wasted in the US, shows that start-ups in the food waste mitigation space have raised USD125 million in the first 10 months of 2018, while grant funding from foundations reached USD134 million in the first three quarters of the year. ReFED's capital and innovation director, Alexandria Coari, said that the organisation is observing tremendous momentum around food waste reduction as consumer awareness increases and major food companies make commitments to delivering reductions. The top foundation funders include The Rockefeller Foundation and The Walmart Foundation and the report notes that addressing food waste will require significant philanthropic funding. There are now more than 450 food waste innovators in ReFED's Innovator Database all of which are focused on turning waste streams into a form of social and economic value.

Quorn opens 'world's biggest' meat alternative production facility [15 November/Food Navigator] Quorn Foods has opened an expansion to its production site at Billingham in the North East of England which will double the company's ability to produce Quorn's core products. The expansion, part of a GBP150 million investment in the company by ultimate shareholder Nissin Holdings of Japan, has been made in response to more consumers adopting flexitarian, vegetarian and vegan diets. Quorn says that its facility is now the largest meat alternative production facility in the world. The company notes that the greenhouse gas emissions from a bag of Quorn mince is about 10% of the footprint of beef mince. The business has grown 16% in the last year and CEO, Kevin Brennan, notes that the company sees decades of growth ahead of it as consumers respond to growing environmental concern around traditional meat production and he added that the new plant is part of the company's journey to become a billion dollar business by 2027.

Perfect Day partners with ADM to make milk without cows [16 November/Forbes] Perfect Day, the San Francisco start-up looking to produce milk without cows, has entered into a partnership with Archer Daniel Midland to scale up production of its product. The cow-free dairy product is produced using a fermentation process to create the same dairy proteins found in cow's milk. Perfect Day claims that their product, which uses microflora (microorganisms such as yeast), contains proteins such as casein and whey and tastes like real cow's milk. They have explained that their manufacturing process involves the use of a 3D printer to create and insert a DNA sequence into the yeast that codes for making dairy proteins. The joint development agreement with ADM will enable Perfect Day to scale up production of its cow free proteins using ADM's fermentation infrastructure. The company notes that they expect to make announcements next year on commercialisation of their protein. The non-dairy milk segment has grown 61% over the last five years with consumers looking for alternatives that better replicate the experience of real milk.

Sexual harassment 'ignored' in rural workplaces, despite global #MeToo movement [18 November/ABC News] The CEO of Rural, Regional, Remote Women's Network of Western Australia (RRR Network), Jackie Jarvis, has warned that rural and remote workplaces are producing horrific cases of sexual harassment and assault. Ms Jarvis suggested that the welfare of animals was often being placed in front of female employees with many employers doing the right things on health and safety but ignoring harassment and bullying. Supposed jokes from bosses about young female employees can put both male and female into very difficult positions. There is not significant data available on sexual harassment in rural and regional areas but a study in 2015 found that 70% of women had experienced harassment with agriculture being the most problematic industry. The RRR Network has launched an event called #UsToo to raise awareness of harassment and bullying in rural workplace to assist women to overcome the trepidation in speaking out as well as helping employers to understand the costs of failing to act in the talent that is being lost to sector due to inappropriate behaviour.

Australian milk supply could drop 7% [19 November/Otago Daily Times] Dairy Australia are predicting that Australian milk supply could fall as much as 7% in the 2018/19 season which in a worst case scenario could see the national milk pool fall to 8.6 billion litres, a two decade low. This contrasts starkly with New Zealand milk growth which has grown almost 6% in the first four months of the season and is expected to remain elevated compared to the previous year. Rabobank Research in its latest Agribusiness Monthly said it expected further upside in commodity prices to occur through 2019 assisted by steady demand and tighter global milk supply.

Plant-based food maker Beyond Meat file for USD100 million IPO [19 November/Food Dive] Beyond Meat has made preliminary filings with the Securities and Exchange Commission indicating its intention to go public. The filings, which indicate the company will trade with the ticker BYND, is currently slated to raise USD100 million. Beyond Meat posted a net loss of USD30.4 million on revenue of USD32.6 million in the 2017 year (compared to a USD25 million net loss on revenue of USD16 million in 2016). The company is planning its stock sale as consumer demand for plant based versions meat and dairy grow and offers investors a long runway for growth, both from adding outlets in the US and expanding into more countries internationally. Existing investors including Tyson Foods and Bill Gates have not indicated whether they will be exiting the company at the time of the IPO or whether the funds raised will be used to fuel expansion plans. The company had USD50 million in cash and cash equivalents at the end of September. The company also announced that it was adding Coca Cola CFO, Kathy Waller, and Twitter CFO, Ned Segal, to its board of directors, bringing industry leaders with knowledge of consumer products markets and experience of scaling businesses.

Shearing contractors call for better workplace conditions amid shearing shortage [20 November/ABC Rural] Historically New Zealand shearers have flocked to Australian wool sheds in search of higher wages however an increase in pay rates driven by the NZ Shearing Contractors Association has left Australian contractors unable to fill vacancies as the season reaches its peak. It is the first time that shearers can earn more in New Zealand than they can in Australia and the supply of kiwi shearers is just not available. It is estimated that historically New Zealand shearers have made up close to 50% of the Australian shearing workforce with some contractors now expressing concerns about how they will shear the flock on time this season. Contractors recognise that the New Zealand industry had to do something to stem the flow of shearers out of the country as they have been struggling to fill roles for years, but note the current shortages highlight a genuine issue for the Australian industry, which needs to place more focus on training and better working conditions. Some contractors are suggesting that a registration scheme for contracting businesses should be introduced to protect the industry and the workers that work for the businesses.

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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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