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To: Primary Production Select Committee

Submission on: Select Committee Inquiry into the financial performance and current operations of the Ministry of Agriculture and Forestry and a review of factory farming vs. free range farming

From: Federated Farmers of New Zealand

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Select Committee Inquiry into the financial performance and current operations of the Ministry of Agriculture and Forestry and a review of factory farming vs. free range farming

1. EXECUTIVE SUMMARY

- 1.1 Federated Farmers of New Zealand supports the principles behind improving animal welfare in New Zealand and is committed to the maintenance of animal welfare standards that comply with the Animal Welfare Act 1999 and the Codes of Welfare promulgated by NAWAC. As an organisation we do not see it as acceptable to intentionally allow animals to suffer as a result of poor farm management practices, deliberate ill treatment or neglect.
- 1.2 In relation to the debate over Intensive versus Free range farming consideration needs to be taken on the economic, science and management practice side of modern day farming practices.
- 1.3 Federated Farmers submits that “Factory Farming” within the Inquiry papers is replaced with “Intensive Farming” as this better describes management practices carried out within New Zealand. Factory Farming conjures up images of chain production and treatment of animals as a manufacturing tool – this is far from the case where animals at all times are farmed with well defined scientific and management practices within the recognised codes of animal welfare.
- 1.3 Section 9 (2) (a) of the Act requires that the behavioural needs of animals be met in accordance with both good practice and scientific knowledge. Productivity is an important aspect of good practice as reduced profitability can have a detrimental impact on ongoing animal welfare.
- 1.4 In outlining farm management there is also a need to consider the international trading environment and the need to stay competitive against international competitors. On a global perspective New Zealand has an excellent reputation for endorsement of sound animal welfare practices.

2. Economic Considerations

- 2.1 Various economic analyses on “idealist” free range farming indicate that costs of the practices will ultimately be borne by consumers paying higher prices for products. They also indicate that consumption will drop and that some farms will be forced out of business.
- 2.2 Federated Farmers submits that it is injudicious to state that additional production costs will be borne by consumers prepared to pay higher prices, especially during recessionary periods such as we are currently experiencing.
- 2.3 Consumer market surveys, such as that completed recently by NZPork, highlight that there is very limited demand for alternative ‘free-range’ options due to the higher price at the supermarket. As recessionary constraints take place consumers have become price driven when making purchasing choices. Rather than free range farming being the ‘be all and end all’ it will lead to an increase in local productions costs thus making it easier for imported products to increase market share, and so the perceived animal welfare problems will be transferred to competitor countries.

- 2.4 Federated Farmers submits that supporting the New Zealand agricultural industry is a smart decision for the economy. For example, there are around 45,000 sheep, beef and dairy businesses within New Zealand employing over 43,000 people. On the income side the New Zealand agricultural sector generated \$23,148 million in gross revenue. Much of this gross revenue is spent in cities and towns, ensuring our economy continues to prosper.
- 2.6 In summary, Federated Farmers emphasises that the economics of agricultural businesses are critical to the New Zealand economy and these must be backed by sound farm management practices.

3. Science Considerations

- 3.1 Federated Farmers submits that New Zealand must continue to maintain a science based perspective to animal welfare considerations. As an organisation we are highly concerned that societal pressure and non-meat eating activist groups are influencing decisions on the direction of animal welfare.
- 3.2 As with Biosecurity concerns well developed and rationale science is critical to the decision making process. Any further refinement of current animal welfare codes or new codes must be developed and based on science and not be influenced by outside notions such as a 'clean and green New Zealand'.
- 3.3 Federated Farmers is concerned about NZ livestock industries being portrayed as reacting to consumer trends. In some case producers will adapt their production practices to meet consumer preferences, however, this does not mean that those preferences should be the basis for animal welfare regulation. Animal welfare codes for the industry must be developed using a science based and practical approach. Societal views may or may not have a logical or scientific basis, and to act on those views may not necessarily be in the best interests of Animal Welfare. The federation also considers that given the disparate views of society there is unlikely to be a consensus of societal values.
- 3.4 Society pressure appears in various cases to be leading the animal welfare process rather than science and farm management practices with reviews taking place after media and Ministerial interference.

4. Management Practices

- 4.1 Federated Farmers submits that we are supportive of farm management practices that ensure good animal welfare practices occur on New Zealand farms.
- 4.2 Within the Inquiry papers the term "Factory Farming" is used. Federated Farmers submits that "Factory Farming" is replaced with "Intensive Farming" as this better describes management practices carried out within New Zealand. Factory Farming conjures up images of chain production and treatment of animals as a manufacturing tool – this is far from the case where animals at all times are farmed with well defined scientific and management practices within the recognised codes of animal welfare.
- 4.2 For example, within the Dairy, Sheep and Beef industries there are strong codes of welfare adopted by farmers within the industry. While there are some debates, for example over indoor dairy farming, these practices are endorsed by officials and have no welfare issues. In fact, the 'housed cows' appear calm and often favour the indoor environment to the harsher outside climatic conditions. It needs to be noted that within many countries internationally (especially Europe) indoor farming practices

are favoured over free range farming as they provide the animals with more favourable welfare with, for example, better protection from the cold climates.

4.3 Intensive farming as is practised in New Zealand is a long way from how it is practised overseas, for example the publicity recently concerning pork production in La Gloria (Mexico) initially thought to be the origin where swine flu originated – that raise 1 million animals per year.

4.3 Currently there is a strong focus in New Zealand on ensuring our farming systems are developed with the welfare of animals in mind. In some cases we are leading the world in farm management and in some cases we need our international competitors to commit to change in cohesion with New Zealand.

5. ABOUT FEDERATED FARMERS OF NEW ZEALAND

5.1 Federated Farmers of New Zealand is a member-based organisation representing farming and other rural businesses. Federated Farmers has a long and proud history of representing the needs and interests of New Zealand farmers.

5.2 The Federation aims to add value to its members' farming business. Our key strategic outcomes include the need for New Zealand to provide an economic and social environment within which:

- Our members may operate their business in a fair and flexible commercial environment;
- Our members' families and their staff have access to services essential to the needs of the rural community; and
- Our members adopt responsible management and environmental practices.

5.3 Federated Farmers has been closely involved in animal welfare codes of practice.

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