

## HE PANUI

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### What will the next season bring?

As we head into June, the current financial year is ending, and we are about to commence the 2019/20 season. Like always, we are now at a stage of the year when there is very little that we can do to influence the result for the current year and the focus is well and truly on setting the farms up for next year. The key decisions around pasture and stock management in the next two months have a significant bearing on the year ahead – more so than any other time of the year. Importantly, this has not been an easy year to set farms up for the winter. The early period of autumn was a challenge and it was only due to an unseasonably warm May, that saw increased pasture growth, that has put much of the King Country in an acceptable position heading into winter – note the word “acceptable” rather than being flush with pasture like the last two years. This really was a season that promised much but turned out to be a bit of a challenge. Of great concern for agriculture at present has been the potential impact of the Climate Change Amendment Bill (Carbon Zero target) announced in early May. The intention is that Aotearoa will be “net carbon zero” by 2050. This essentially means that while we will have emissions from cars and livestock etc., these will be “offset” by the

carbon being sequestered or “soaked up” by forests planted around the country. Now, on face value we all agree with being more sustainable and needing to be responsible for the impact that we have on the world around us, we need to be very careful about how we go about this. The old saying of “don’t cut your nose off to spite your face” comes to mind.

The real challenge with what has come about with the bill announced is that the targets that have been proposed (emphasis on proposed) are quite simply unachievable for agriculture. This will see farming as we know it today simply not be economic and our communities and country would look vastly different to what they do now. Did you know that our land-based industries generate \$35 billion of exports for the country and directly employ nearly 140,000 people – this is not counting all the service industries that rely on farming either! It is often said that \$1.00 generated on a farm goes around up to 7 times in local towns – it is this money that keeps our towns like Taumarunui pumping. It has been noted in recent days that the focus on planting trees on land that was once thriving sheep and beef farms has seen in excess of 30,000 ha of land in the North Island sold for planting in trees in the last year alone – that is basically 12 farms like Te Uranga B2 that will be solely trees. This is not all steep unproductive land – this, in some parts, has been highly productive farmland caught up in the wave.

So where does this leave Te Uranga B2 Incorporation? Like all farmers, the current situation means that there is a now, more than ever, a need to be very clear on how the farms can operate in the most efficient manner possible and be aware of what these changes might mean. We then must take this knowledge to ensure the most appropriate land use is undertaken so that not

only Te Uranga B2 can thrive for the benefit of all the shareholders and stakeholders but also that our rural communities and towns not lost in the wave of carbon and wood. While there is still plenty of “unknowns” it is great to be working with a Committee such as yours that are focused on learning and understanding about this issue to be able to tackle this next challenge head on.

*Darren McNae, Agribusiness Advisor*

### **Toward another strong result**

Prior to start of each financial year the Committee of Management establishes a budget for the coming year to reflect its desired financial direction and priorities. The budget is based on projections of on-farm performance and external forces (for example market prices). Halfway through the year a reforecast is undertaken to reassess the realities of the previous six months. The purpose of doing both these things is to allow the Incorporation’s actual performance to be tracked and measured. If there are significant changes to performance the causes can be quickly identified, and alleviating action taken.

It is pleasing to report that the Incorporation’s financial performance for the year to date is tracking well against forecast and all things point to another solid and consistent financial result.

*Peter Topham, Peak Chartered Accountants*

### **Election by Poll Voting**

As a result of the Committee of Management receiving a resolution from a shareholder relating to poll voting (voting by shares) it sought a legal opinion from *Tu Pono Legal* that was received by the Chairman, Derek Wooster, on 16 March 2019. The following is an unexpurgated copy.

Derek Wooster  
Te Uranga B2 Inc  
PO Box 384

**Taumarunui**  
Tēnā koe

### **RE: Poll Voting at AGM**

You have sought advice relating to a resolution that you have received from a shareholder group

seeking an amendment to the processes relating to voting for elections, in particular, the exclusion of poll voting at elections.

As a preliminary issue, I note that the resolution is signed by a grouping of only 11 shareholders, and there is no indication of what happened at any meeting that might have taken place so it remains questionable as to whether or not the request can be seen to be indicative of the owner’s desire at all.

That being said, and for the reasons that follow, the amendment that is sought by the shareholder cannot be accepted by the Committee of Management, even if it were sought by a clear majority of owners.

Reasons why Resolution needs to be Rejected  
Section 268 of Te Ture Whenua Maori Act 1993 (“the Act”) stipulates that all Maori Incorporations are to have a constitution, and that constitution shall be prescribed by regulations under the Act. Regulation 2 of the Maori Incorporations Constitution Regulations 1994 stipulates that, at least initially, the constitution will be that set out in in Schedule 1.

This constitution can be amended pursuant to 253A and 268(3) of the Act, however, unless the amendment sought seeks to limit or place restrictions on the powers of the incorporation, it needs to be passed by special resolution. A change to a voting process does not create a limitation on the powers and therefore would require a special resolution. The resolution received by the from the shareholder group, of course falls short of this requirement and therefore cannot be implemented.

Lastly, and perhaps more fatally, any amendment to the constitution needs to be consistent with the Act. S275(5) of the Act explicitly provides that:  
*Unless, on any question submitted at a general meeting to a vote of the shareholders, a poll is demanded by not less than 5 persons present in person at the meeting, or by any person or persons entitled to exercise not less than one-tenth of the total votes of those present in person or by proxy at the meeting, every shareholder present in person or by proxy shall have 1 vote only, and a resolution shall be carried if a majority of the votes is in favour of it.*

Any provision that sought to exclude poll-voting would therefore be inconsistent with the Act itself and would therefore be of no effect.

#### Conclusion

The Committee of Management therefore has no option but to reject the request of the shareholder group.

I hope this assists you.

Nāku noa, nā

Jason Pou

**Director**

#### ***Update on the Whenua Māori Programme and WhenuaViz***

##### ***Whenua Māori Programme***

Last week the Minister of Justice, Andrew Little and Nanaia Mahuta, Minister of Māori Development made a joint announcement in Tairāwhiti / Gisborne on the Whenua Māori Programme. The announcement confirmed that funding has been secured in Budget19 for the next four years to progress the Whenua Māori Programme.

The Whenua Māori Programme will be delivered collaboratively by the Ministry of Justice and the Ministry of Māori Development (Te Puni Kōkiri).

Ministry of Justice components of the programme include:

- \* The introduction of a new out-of-court Dispute Resolution Service (initially to be led by Māori Land Court Judges, with independent mediators planned for future years).
- \* Changes to the Succession process e.g. some succession applications can be dealt with by the Registrar, without requiring a court hearing or Judge involvement.
- \* Replacement of Māori Land Court technology (MLIS).

Te Puni Kōkiri components of the programme include:

- \* A new Regional Advisory Service for Māori landowners to provide specialised support for

landowners and land trusts who wish to develop their whenua.

- \* A new comprehensive Whenua Knowledge Hub and website containing a wide range of detailed and up-to-date land information

The Whenua Māori Programme also involves making amendments to Te Ture Whenua Māori Act 1993. This work will be jointly led by both Te Puni Kōkiri and the Ministry of Justice with an amendment bill expected to be introduced into the house by August this year. The current proposed amendments focus on provisions required to establish a dispute resolution process, simplification of more succession and trust related matters, providing the Māori Land Court with new jurisdiction over all Māori land related cases, and new enforcement powers for the Māori Land Court.

##### ***WhenuaViz***

Te Puni Kōkiri and Manaaki Whenua have launched the new WhenuaViz website to the public. You can take a look at the new site by visiting this link

<https://whenuaviz.landcareresearch.co.nz/>

***Any queries or feedback on the new site or the Whenua Māori Programme, please contact the team at Te Puni Kōkiri on [whenuainfo@tpk.govt.nz](mailto:whenuainfo@tpk.govt.nz)***

##### ***Green House Gases Seminar***

Last week close to 50 people, from as far as Wellington, gathered to hear a report on the *Green House Gases Study* held over the past 2 years on Te Uranga B2's

Tanira Kingi (*Ngati Whakaue / Te Arawa*) from SCION - *Scion is a Crown research institute that specialises in research, science and technology development for the forestry, wood product, wood-derived materials, and other biomaterial sectors.* - led the presentation with AgFirst Agricultural Economist, Phil Journeaux.



*Dr Tanira Kingi, Research Leader SCION*

The GHG study revealed that a good 70% of harmful gases emitted during day-to-day farming was being sequestered (absorbed) by the various tree plantations on Te Uranga B2 Inc. farms and to become carbon-free the farms would have to reduce stock numbers, increase production per animal, farm bulls instead of cows – cows stand to mimi while bulls mimi as they walk - and plant more trees and not only pines.

But what about the several hectares of Nga Whenua Rahui Kawenata blocks and riparian planting? Regenerating forests are not included in the present Emission Trading Scheme (ETS) legislation! We know there are large tracts of native forests in our DoC estate, on our Maori Blocks and QE2 plantations throughout the country. It's time that our Maori MPs including, Minister for Maori Development, made it known to their fellow MPs that our natives soak it up just as well as exotics!

The Crown has already indicated that it could charge the “processor” – milk factory and meat works – with the job of collecting the ETS levy on its behalf meaning of course that we will get less for our milk, wool and meat thus reducing our farm profit that we depend on to pay dividends, grants, sponsor donations. The cost of dairy and

milk products in the supermarket will no doubt increase as it has already at the gas station. Farming as we know it is already changing – overseas investors are buying thousands of farmlands on which to grow pine trees to trade carbon credits instead of sheep and cattle.

The CoM over the next few months will be evaluating the many options provided in the study and will give updates in the Spring Panui and November's AGM.

### **Health and Safety Course**

Last week, also on Upoko, a 2-day Health and Safety course was held for Upoko staff, Koromiko and Paatara staff and some of Taringamotu o Tamakahi staff.

The course was conducted by Natural Instincts – a company specialising in on-farm training was formed in 2000 to deliver high quality 4-wheel drive training as well as courses for quad bikes, Light Utility Vehicles and tractors.- to help our staff become confident and competent users of machinery that they have to use while carrying out their day to day tasks on our hilly and sometimes muddy, slippery terrain.

Employees, including we, must comply with the **Health and Safety at Work Act 2015**. Its purpose is to secure the health and safety of workers and workplaces.

The 4-wheel drive training is just one of the many learning opportunities that must be provided to ensure staff are well and safe to continue providing for their families.

**NEXT ANNUAL GENERAL MEETING IS ON SATURDAY 23 NOVEMBER 2019 IN THE WOOLSHED.**

Comments welcome – send to Derek Wooster, email: [derekwooster@outlook.com](mailto:derekwooster@outlook.com)  
<https://www.facebook.com/TeUrangaB2>









