

THE ROLE OF THE DEER FARMERS' ASSOCIATION AND THE
GAME INDUSTRY BOARD IN THE NEW ZEALAND DEER INDUSTRY

James Guild
President, NZDFA

As in any industry the business of farming deer is made up of many components. Equally as any industry changes then the role of the various components in it change also.

This address looks at the role of the NZDFA and the Game Industry Board in the deer industry and the appropriate place to start is to examine this word "industry".

Every sector, including the various farming sectors, like to consider themselves an industry. It gives an impression of size, unity and financial strength. Often they do so long before they have any of those attributes, least of all all of them.

Deer farming has however a justifiable claim to the term 'industry'. Currently there are about 5,000 producers with a collective investment in deer farming of about \$1 billion, producing high quality saleable goods from close to 1 million farmed deer. The next financial year could see total earnings of over \$100 million.

There is substantial employment and financial investment in the other components of the deer farming infrastructure - processing companies, the stock and station industry, the research and development institutes and your body the veterinary profession. There are the manufacturers of posts, wire and industry-related products, transport, financial and management services, and of course even the Inland Revenue Department which derives substantial employment from the deer industry.

Internationally, deer farming is increasingly recognised as an exciting new pastoral alternative with a range of equally exciting new products, producing as it does the healthiest exotic red meat in the world, the most important ingredient in oriental medicine, the world's best fashion leather and an animal with unmatched simplicity of management.

It is the current size of deer farming in New Zealand and its potential to expand rapidly overseas that affects the place in the industry of both the NZDFA and GIB, and will have the greatest effect on any changes that may take place in those two organisations in the future.

As stated earlier, as any industry grows then the various components also grow, and the most obvious manifestation is the establishment of organisations to represent the various sector groups.

The deer industry is no exception and we now have, as well as the NZDFA and the GIB, such other groupings as the Deer Branch of the Veterinary Association, the Game Industry Association (GIA), the Game Exporters Council (GEC), the Stock & Station Agents Association, the Meat Workers Union and within the NZDFA itself such groupings as the Fallow, Warnham & Woburn, and Swedish & Danish Societies, not to mention the determinedly independent Wapiti Society.

Of all the above, undoubtedly the most important in terms of the impact on the industry's future are the NZDFA and GIB. Both have changed considerably since their inception and it is logical to expect them to continue to change in the future. Obviously all the other players in the industry have an input into the direction that major participants take and their effectiveness, as well as experience change in their own influence and effectiveness.

For example, your own sphere of interest, that of animal health, has had a major effect on the deer industry, most notable over the long, and at times, divisive path towards establishing an effective TB control scheme, and the influence of MAF and the Deer Branch on the overall direction of deer farming, particularly in this area, has been considerable.

Similarly, the Inland Revenue Department with its MAF economic advisers, having tired of its gorilla tactics over standard values, pulled in the heavy artillery for the livestock taxation battle and attempted to blow the industry away.

In examining the place of the NZDFA, we must begin at looking at the role it has played since its establishment 14 years ago and how it has changed. While it has always had an agro-political role (and that function was probably the main catalyst for its establishment), the early years saw a great deal of effort put in to designing farming practices and techniques for handling deer and the provision of information and advice to deer farmers.

As we mastered the complexities of management of the animals and as the number of deer farmers grew, then the role of the NZDFA Council became increasingly political and concerned with issues such as marketing, while the membership servicing role became all vested in the newly established Branch structures.

The establishment of the GIB was DFA producer initiated designed to separate the marketing of deer products away from the political and sector group considerations. The GIB too has changed during its shorter period of existence.

In the protracted two year gestation period between its conception in 1982/83 and final birth by the Labour Government in 1985, the GIB underwent a number of changes. By the time it was born, the Government doctor, assisted by the Treasury midwife, had made some changes to the industry's brainchild, specifically the inability of the Board to own product and the removal of licensing powers.

In addition it was made plain at that time that any changes to the 50% producer/50% processor composition would not be supported, in spite of the agreement between its parents the NZDFA and the Game Industry Association.

Last year, perhaps because the GIB was increasingly adopting pragmatic, middle of the road decisions to ensure its continued survival, producers moved to enable a member of the NZDFA Council to also sit on the Board.

More recently still, as producers' sympathetic attitudes have become more dominant on the GIB, the perceived philosophical differences between the Board and the producers have tended to dissipate, and there has been much greater commonality of purpose between the two organisations. It is equally fair to say that the processing sector as represented by the GIA sees those moves as harmful to the overall unity of the industry.

Both the Game Industry Board and the NZDFA are at a crossroad, and both have to make decisions as to which direction they take in the future. To some extent, deer farmers have already made their decision. Increasingly the producers have come to realise that their collective investment in the industry greatly outweighs that of any other group, and therefore have more to lose or gain if the wrong path is chosen. This has led to a growing assertiveness by the producers and in particular policies of the NZDFA Council.

The recent Venison NZ (VNZ) joint venture in marketing and processing is the obvious example. While there has been some criticism within the industry of the method by which the vehicle for producer control was achieved, there was undivided support for the philosophy or requirement that at some stage the producers must have an appropriate structure to allow them to control the marketing of their product and hence protect their investment. With the intent of Challenge to withdraw from the industry the opportunity was obviously presented.

Hence the term "Window of Opportunity".

The NZDFA has since created this vehicle in the form of VNZ and VNZ Co-operative Ltd. But at no stage will it become involved in the day to day management of the companies.

It is worthy to note that this has been achieved without restricting the opportunity of other processing and marketing companies to participate in the industry. This is in sharp contrast to when restructuring is forced out of necessity as so often happens.

On the issue of animal health the NZDFA has a responsibility to ensure that there is an effective vehicle for the control and eradication of specific diseases.

For example, with Tb, it is important that differences of geographic location are recognised, that research is given sufficient priority and that funding is not restricted to the immediate few.

The nation does have a responsibility as will all ratepayers with the formation of Regional Councils in October.

With the investment deer farmers have in livestock it is absolutely irresponsible that there is not a means to equitably levy for production research. Hopefully the Primary Producers Commodity Bill will give us the legislation to achieve this. However we will require deer farmer support.

Now to look at the protective role of the NZDFA in the deer industry. Unfortunately the term 'protective' tends to conjure up words such as defensive, reactive, unwilling to change. Nothing could be further from reality. Even the most vehement critics could not accuse the NZDFA of being passive or reactionary.

The protective actions of the NZDFA should be progressive, visionary and active. I believe they have been and I hope they will continue to be. The NZDFA was set up to foster the interests of deer farmers and the understanding of deer farming.

So successful was it in its formative years that increasingly the Association has found itself actively protecting the advantageous positions it has achieved. Fifteen years ago there was not even a deer farmers' organisation - just a few oddball farmers trying to contain a noxious pest behind tall fences.

Who then would have predicted that within the lifespan of a deer there would be a fully structured profitable farming industry now facing predictions that farmed deer numbers in New Zealand could exceed beef cattle numbers by the end of the century?

While there is no question that the qualities of the deer as a pastoral animal and the demand for products derived from it have contributed most to this phenomenal success story, there is also no question in my mind that had there not been producer organisations established to act on behalf of deer farmers, deer farming could well have a place in history as an agricultural curiosity to rank alongside the farming of emus or possums.

When those first 29 deer farmers met in Christchurch in April 1975 and formed the NZDFA, they laid the cornerstone for this industry more than any early experiment in containing or handling deer. For without that Association and the later establishment of the Game Industry Board (also at the urging of producers) it is likely that deer farming would have been flat on the canvas years ago.

As it is, the bantam-weight producer has seldom had a chance to get out of the ring but is still standing after endless bouts with various sparring partners from the heavy-weight clubs of bureaucracy and politics, the occasional kung-fu kick from overseas, and a bout in the sanatorium with Tb.

The gong first went with the early battles to ease the regulations on licences to farm deer, the amendments to the Wild Animal Control Act and the Meat Amendment Bill. Round 2 saw two standard value increases and subsequent decreases in 1980 and again in 1985. Round 3 was the velvet market collapse in 1980 and the adulteration scandal during the 1983/84 velvet season.

There was the Chernobyl disaster which was subsequently turned to an advantage. There have been the continuous battles with Tb and MCF. We went 10 rounds with the IRD and MAF Economics on the livestock tax issue and before we have had a whiff of the smelling salts we are back in the ring to do battle over the issue of changes to the Meat Act.

It is not surprising that we appear a little punchdrunk at times but you don't become a world champion by heading for the changing room every time a bully enters the ring. And we are unquestionably the world leaders in the production of farm raised game products. Our climate, our farming innovation, our progressive processors, marketers and researchers, and our sheer conviction in deer farming combine to give us an unassailable edge at present.

To destabilise the industry now by allowing the free entry of the traditional meat industry without the financial and moral commitment we have shown could be fatal. I am reminded that no amount of careful planning can counter the unexpected event, especially politically or offshore, and the previously mentioned list of sparring partners proves my point - from the repercussions of Chernobyl to the whims of Roger Douglas.

But to promote changes to the Meat Act that could leave the deer farming producers as a minority and therefore ineffective in their own industry is downright stupid. The activities taken by the NZDFA on behalf of producers to fight this commercial craziness are unashamedly protective, and will require all our resources and the solid support of all sectors of the industry. I leave it to you to judge whether this is, as has been suggested, a "Claytons issue".

Where will this protective role take the producer in the future? Collectively, deer farmers have more at stake than any other player in the industry and so it is logical that changes will be initiated by the producers. I predict that the greatest catalyst for change will come from overseas.

We can expect an ongoing debate as to the optimum structures for the marketing of deer products in our overseas markets - an abundance of exporters, a selected few, or a single desk. We must expect increasing competition from overseas producers in foreign markets and therefore increasing barriers to protect their product from ours.

We can expect increasing interest from new entrants overseas into farmed game production and with it the temptation to sell our hard-won expertise and technology for short-term gain.

As the favoured "country of origin" we have the standing to persuade other deer farming countries to position their products in the same elite strata or to adopt our marketing philosophies and even to enter into joint ventures with us. We must develop the momentum and evolve the structure to take their products into the 21st century.

We must be prepared to form political or commercial alliances with other parties here or overseas both for financial gain and as a measure of protection for our deer farmer members. The NZDFA and the GIB must be prepared to evolve and adapt to the constantly changing environment in which they operate.

We may see the emergence of a single unified organisation encompassing separate components responsible for the agro-political role, the marketing role and the commercial role, with involvement in joint venture both onshore and overseas.

The World Congress on deer farming planned for 1991 could see the birth of an international organisation with a unified approach to the quality control, market displays and promotional strategies of deer products on a world-wide basis.

The last role of the NZDFA is to recreate the positive atmosphere that deer farming had five years ago. For too long we have inadvertently talked this industry down as the magnitude of our recent battles and the resultant negative publicity overwhelmed us. We have the attention of the world yet our next door neighbour often looks on us with doubt.

These are exciting and challenging times for the deer industry. With vision, assertiveness and the courage of our convictions we can protect our achievements and progress to an exciting future. The NZDFA, and GIB and I believe your association have the motivation, the duty, the desire and above all the conviction to make deer farming New Zealand's premier pastoral activity.