



# New Zealand Meat Board 2023 Resolutions and Consultation

## Basis of voting

The Board has determined under section 58(3) of the Meat Board Act 2004 that the voting entitlement will be on the same basis as the Beef + Lamb New Zealand (B+LNZ) constitution, which is one farmer one vote for ordinary resolutions.

The definition of a farmer in the B+LNZ constitution is the owner of livestock above the minimum thresholds of 250 sheep, 50 beef or 100 dairy cows at 30 June 2022.

## RESOLUTION ONE

That farmers consider and, if thought fit, pass the following ordinary resolution:

That the director fees pool for farmer and industry (Processor-Exporter) directors be increased to \$155,500 per annum from \$147,500, a total increase of \$8,000.

This increase represents a fee increase for the Chairman to \$31,515 (currently \$29,900) and for farmer and industry directors to \$17,705 (currently \$16,800).

## Explanatory note

The NZMB Board numbers six Farmer directors, two Processor-Exporter directors (both by virtue of their B+LNZ appointments) and two Government appointed directors.

Taking into account the benchmarking information, your Board is recommending a less than CPI increase for the 2023 financial year for Farmer and Processor-Exporter directors. Director fees are funded from reserves management income and quota management fee income.

Government directors have their fee set by the Minister of Agriculture, which have historically been set at the same rate as Farmer and Processor-Exporter directors and are paid from the same revenue sources.

## RESOLUTION TWO

That farmers consider and, if thought fit, pass the following ordinary resolution:

That KPMG be appointed as the NZMB's auditor for the year ending 30 September 2023.

## Explanatory note

The Board recommends that KPMG continue in the role of auditor for the NZMB for the 2023 financial year.

The Audit & Risk Committee undertook a thorough tender process with potential audit service providers in 2021. After evaluating the proposals, the Committee agreed that KPMG offered a robust audit process, offered development opportunities to NZMB with respect to future reporting trends (Service Reporting and Sustainability Reporting) and remained competitive with their fee proposal. The tender was for provision of services over the next six years.

The KPMG partner responsible for the annual audit has completed his seventh and final year of his rotation. The External Reporting Board (XRB) (an independent Crown Entity responsible for accounting and auditing and assurance standards in New Zealand) has a maximum prescribed rotation period for large not for profit Public Benefit Entities of seven years. We are working with KPMG to identify our new partner for the 2023 audit.

## **ANNUAL MEETING 2023 CONSULTATION: INDUSTRY GOOD FUNDING**

The NZMB is presenting the annual industry good funding proposal for consultation in conjunction with the 2023 annual meeting.

The NZMB, as part of its purpose under the Meat Board Act 2004, provides funding from investment income less reserves management expenditure to B+LNZ for an industry good activity. The NZMB's **Reserves Policy** [www.nzmeatboard.org/assets/Documents/NZMB-Reserves-Policy-August-2022-2.pdf](http://www.nzmeatboard.org/assets/Documents/NZMB-Reserves-Policy-August-2022-2.pdf) sets out the purpose and process for the management of the Board's reserves.

NZMB has been a funding partner for B+LNZ Genetics. The NZMB is proposing that it will continue to be a funding partner and would provide up to \$1.4 million from investment income in the 2023 financial year to help fund the Informing New Zealand Beef Project (INZB), a seven-year research project (now in year two) designed to generate more income for beef producers from the development and application of new genetic tools specific to New Zealand's farming conditions and markets. This project is co-funded by the Sustainable Food & Fibre Futures (SFFF) programme managed by the Ministry for Primary Industries. The SFFF programme requires a detailed business plan with milestones which includes investment, people and activities required, what will be produced and then the short, medium, and long term outcomes that the project will achieve against the objectives. The programme is overseen by a Governance Group of five members chaired by Dr Helen Anderson. The NZMB receives an annual report on delivery against this plan.

The project has tracked to milestones in the 2022 financial year (the establishment year). This included 720 breeder and commercial farmers prioritising trait development and across breed progeny test sites have been established at Pamu's Kepler Farm and Lochinver Station. Key deliverables for 2023 include developing economic models for traits to be included in selection indexes and commencing the development for novel traits. The team will start work on getting the nProve tool set up for beef and continue to develop the across breed beef genetic evaluation system.

Further detail of B+LNZ Genetics INZB project can be found in the annual report on page 11 including deliverables for 2022-23.

NZMB grant funding from investment income (less reserve management expenses) for 2020-22 was \$900,000 for delivered milestones and is proposed to be up to \$1.4 million in 2022-23.

We welcome your feedback. Once the consultation closes, we will analyse the submissions and the Board will consider all the points raised by submitters.

Submissions close 22 March 2023.