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SONZAF 2004: Main Findings

MAF's 2004 Situation and Outlook for New Zealand Agriculture and Forestry (SONZAF) is an annual roundup of NZ's main agriculture and forestry industries, covering the major issues and trends, the current situation and the medium-term outlook. Each article is written by an industry specialist, and incorporates both modelled price, production and export projections with industry intelligence. One particular feature of SONZAF is that it includes projections based on two alternative exchange rate tracks as well as the main projections. This enables readers to better understand the prices that could result should exchange rates differ from those used in the main projections.

SONZAF also looks at some of the major factors that have impacted on the agriculture and forestry sectors over 2004, including: the stronger NZ dollar, rapidly rising oil prices, continued drought in Australia, snowfall and flooding disrupting production and rural communities, and the cold winter and spring hampering pasture growth.

Looking out to the year to March 2008, the total export value of pastoral agriculture, horticulture and forestry products is projected to increase 23 percent. This will take the total export value from \$17.0 billion this March year to \$20.8 billion in 2008. The largest contributors to this increase are dairy, (up \$1.57 billion) and forestry (up \$1.33 billion).

The report does, however, project meat export value to decrease by \$69.0 million, while wool export values should rise by \$160 million, and the total value of horticultural exports is expected to rise by \$804 million.

Note: Throughout SONZAF there are numerous references to "outlook period", in other words, to sometime in 2008. However, exactly when in 2008 depends on which sector or products one is talking about (due to different products having different end-of-seasons). The outlook period for each product is appropriately defined in the following section.

In a Nutshell

- The dairy industry had another record season in the year ended May 2004, with milk-solids production rising by five percent and the industry average payout increasing by 16 percent. The outlook (to year ending May 2008) for production is good, and although the payout is projected to fall in the 2005/06 season, it is projected to recover after that.
- Beef and veal production rose in the year to September 2004, but over the outlook period (year ending September 2008) is expected to decline. Beef schedule prices are projected to fall out to 2006, and then rise out to 2008.
- Lamb and mutton production fell in the year to September 2004. However, record high international prices were achieved in the United Kingdom (UK) market. Over the outlook period (to year ending September 2008) sheep meat production is predicted to rise, as are lamb schedule prices.



- Total wool production fell slightly in the year to June 2004. Over the outlook period (year ending June 2008) average auction prices for wool are projected to rise steadily.
- The year ended June 2004 produced a record wine grape vintage and it's projected that production will continue to expand. Over the outlook period (to year ending June 2008) the industry will be reliant on growth in export sales matching growth in production volumes.
- Some major forestry growers have drastically reduced their levels of harvest in order to increase the age profiles of their crops. This, in turn, has reduced volumes of export logs in the year to March 2004, but volumes of other products increased. Volumes of all forest products are predicted to rise over the outlook period, with the exception of pulp and paper, which face a cyclical downturn in 2008. Pulp and paper prices are projected to increase out to 2007 before falling in 2008, while all other forestry product prices are projected to increase over the outlook period (year ending March 2008).
- The quantity of export apples is estimated to reach record levels this year. This, together with increased competition in NZ's major markets and unfavourable exchange rates, has resulted in poor returns to growers. Despite an increase in export quantities over the outlook period (year ending December 2008), export and grower returns are forecast to only increase marginally over the outlook period.

Dairy

The 2003/04 dairy season saw record production levels of both milk solids and dairy products, as well as record export volumes. Nearly one-third of NZ's dairy product export revenue came from the sale of whole milk powder, with butter and cheese the next biggest earners.

Between 90 and 95 percent of the dairy products made in NZ are exported, with product going to over 143 countries in the year to May 2004. The balance was sold on NZ's small domestic market. Over the same period, dairy product exports accounted for 20 percent of NZ's total merchandise export revenue.

Over the outlook period to 2007/08, milk volumes are forecast to continue to rise. The quantity of dairy products made and exported is also projected to grow. Predictions are that the dairy industry will place greater emphasis on the production of milk powders, as these are the products most in demand in emerging markets, where they are used both for reconstituting into liquid milk and as ingredients in foodstuffs.

Several factors are expected to have a major influence on the international dairy product market over the outlook period, including:

- relatively low Australian production and exports, as the Australian dairy industry gradually recovers from the effects of drought;
- high oil prices driving increased consumption of dairy products in oil-producing countries;
- modest growth in demand for dairy products in OECD countries; and
- strong growth in demand for dairy products in non-OECD countries.

Beef & Veal

Overall, free-on-board (FOB) prices* initially fall out to 2006, but then rise out to the year to 2008, thanks largely to an expected depreciating exchange rate. In 2004 NZ was able to export an ad-

ditional supply of high-value beef to North Asian markets due to bans on Canadian and United States (US) product following the discovery of bovine spongiform encephalopathy (BSE) on one farm in each country.

NZ cow beef prices in the US reached a record high for the September quarter, due to constrained domestic supplies on the US beef market and stronger domestic demand. Despite this rise in cow beef prices, schedule prices were little different from the previous year – due to the strength of the NZ dollar against the Greenback. On an export value basis, beef and veal generated \$1.92 billion in the year ended September 2004. While the US market dominated export quantities and values, exports went to 98 other countries.

Looking out to 2008, the SONZAF report says beef production is set to decline, due to a fall in beef cattle numbers in favour of sheep and dairy cattle. Cow beef prices in the US are also projected to fall over the outlook period because of a corresponding fall in US beef prices, a rise in US beef production and a demand shift from imported to domestic supply.

***FOB free on board:** the value of exports when they are placed on a ship or aeroplane to leave a country. FOB includes costs of production and transport to the port of embarkation, but not the freight and insurance to get them to their destination.

Sheep

The 2004 forecasting report says in the period through to 2008, sheep meat production is expected to rise, and despite a fall in international prices next year, lamb schedule prices are projected to increase over the period.

In the year to September 2004, lamb and mutton production fell because of lower lamb numbers due to drought at the time of ewe mating in autumn 2003 and an inventory build up of breeding livestock. The lower production led to reduced export volume, and together with reduced supplies of domestic meat in the UK market, led to record high international prices for NZ lamb. However, the appreciating NZ dollar took the gloss off these higher prices, with the all grades average schedule price around the same as for the previous year to September.

Some of the main details for the sector include:

- in the year ended September 2004, exports of lamb were provisionally 358 thousand tonnes – down slightly on last year;
- exports of mutton were 87.9 thousand tonnes – down one percent on the previous year;
- on an export value basis, lamb generated \$1.97 billion and mutton \$255 million;
- NZ lamb was exported to 95 countries and mutton to 64 countries; and
- Meat and Wool NZ Ltd trade data shows the top five destinations for lamb by export quantity are the UK (24 percent), the US (nine percent), France (eight percent), Germany (seven percent) and China (seven percent).

The report also expects that while there will always be a market for export carcasses to retail butchers, particularly in the UK, the current upward trend in the export of higher value chilled products is expected to continue.

Wine

The 2003/04 grape harvest produced a record 166,000 tonnes – 40 percent larger than any previous vintage and more than double

the frost-affected vintage of 2002/03. Thirty-one million litres headed offshore. This latest record vintage should see 2005 export sales continue to perform with strength.

However, while grape production is on the up and up, there are challenges ahead, and the wine industry will have to put serious investment into marketing and research to find markets for the increased product, says SONZAF. In addition, SONZAF projects that, by June 2005, the NZ FOB wine price is likely to fall by 11 percent (largely due to the strength of the NZ dollar). In the medium term the wine export price is expected to rise again on the back of a weaker NZ dollar (assuming favourable exchange rate movements out to 2008).

Key wine facts include:

- The key varieties Sauvignon Blanc, Pinot Noir and Chardonnay made up 76 percent of production this past year, with the country's key export variety Sauvignon Blanc forming 42 percent of total production. Sauvignon Blanc comprised 63 percent of total wine exports.
- The area planted in grapes was up 14 percent over the previous season.
- NZ wine is exported to nine major markets that take 95 percent of our exports. The three largest markets are the UK, US and Australia.
- The average price for all varieties of grapes in the year ended June 2004 was \$1,876 per tonne – down two percent on the previous year (many in the industry were aware the price fall was coming and some believe prices are still at high levels).

The document can be downloaded for free as a PDF file (3.2Mb) from the MAF website at <http://www.maf.govt.nz/mafnet/rural-nz/statistics-and-forecasts/sonzaf/index.htm> If you would like a hard copy (\$20.00) please ring the main MAF number (04 474 4100) and ask for Ali Harley of the MAF Information Bureau.

Walking Rights to Rivers and Lakes: Government Response

The government is to legislate to increase public access along rivers and lakes and beaches, but farmers will not be forced to let the public cross their land to reach the waterways. The public will get to use five-metre-wide walking strips along designated river banks, lakes and coastline with "access value", but the access will be restricted to people on foot. Any access across private land to the new waterside strips must be negotiated with landowners by a new agency, and owners will not be forced to agree. The policy will not take effect for about four years.

Work on this issue began nearly two years ago when former meat board chairman John Acland was appointed to lead a reference group to look at problems with public access to the outdoors across private land after growing concerns that rights were misunderstood or being eroded. The work was designed to head off disputes with private landowners, and was partly in response to confusion over the Queen's Chain and a growing trend for landowners to restrict public access to rivers, beaches and mountains through their land. The group reported 16 months ago and provoked more than 1000 submissions.

Land Access Questions and Answers

Note: These Q&As are verbatim copies of what the government released on 22 December.

What is the government doing? The government is to provide a footway of five metres along waterways and water bodies of significant access value in rural areas where access is not already provided.

Why is the government doing this? There is increasing confusion about access along waterways: there are examples where people think they have access but don't, and where there is legal access which is blocked. This policy aims to clarify where people can go and under what circumstances.

Does this mean people can go anywhere? No. The "right to roam" found little support in consultation and is not supported by government.

Isn't this just a big landgrab? No, this is about access, not ownership. There are no changes to the title because of the walking access proposal.

Doesn't the Queen's Chain cover all this? No, the Queen's Chain is fragmented and covers only between 50 percent to 70 percent of land along waterways. There are significant gaps.

So this policy is about extending the Queen's Chain? No. While the government embraces the Queen's Chain ethos, this policy focuses on walking access. It's not appropriate to extend the Queen's Chain because that would include access for other things – such as vehicles, guns, and dogs – that are not part of this policy.

Isn't this a major infringement on private property rights? Not at all. The access is for walking only, where there are areas with high "access values" such as ecological, recreational or historical significance along a five metre strip. There will be extensive consultation to decide what areas have access value, and there will also be a range of exclusions for access where they are justified.

How will the safety of farmers and families be protected given that some houses are close to rivers, streams etc? The policy provides that walking right will be no closer than 50 metres to a residence or 20 metres from any other lawfully erected building on private land.

Will people be able to walk across private land to reach the footway? There will be no automatic right to cross private land. The government will help create negotiated solutions to access, including through setting up a fund to create and improve access opportunities across private land to footways.

How will people reach the footway then? In almost all cases there will be existing public access that will reach the footway at some point along the watercourse. The government is also working to facilitate negotiated solutions to access across private land.

Aren't I liable for any injuries people get on my land? No. Under the Health and Safety in Employment Amendment Act 1998, you are not responsible for injuries people might incur while on your land if you do not know they are there. If you do know they are going on your land, you are only obliged to warn them of extraordinary risks: for example, if trees were being harvested, you would need to warn people of that and the risk of logging trucks. You do not need to warn them of natural hazards, such as tomos or bluffs.

What about waterways in urban areas? All policy proposals relate to rural land only. There are two reasons for that: the amount of curtilage (the land immediately surrounding and enclosed with a residence) in urban areas would stop access to al-

most all waterways, and secondly, access in urban areas is generally well-provided for – e.g., public roads and parks – and understood.

Does this policy apply to Maori land? Yes. The policy applies to land of all tenures. Maori land would be subject to linked and parallel statutory and judicial processes arising from the Te Ture Whenua Maori Act 1993.

What happens if I want to take my dog or gun or four-wheel drive vehicle there? You must ask the landowner for permission first. The policy is only for walking access. It is not for people with guns, people with dogs, people with vehicles, or people with motorbikes or mountainbikes.

Will compensation be paid for the public having access? This is unlikely. However, under the work programme, there is to be an investigation of whether compensation should be payable.

When will the policy come into force? There will be a long lead in time to allow for the further policy work, the passing of legislation and the consultation that needs to take place over issues such as access values. If the legislation enabling the policy passed into law in 2006, the policy would probably be fully in force by 2009, although identification of existing access could be completed much sooner.

When will the legislation be introduced? It is hoped that legislation will be introduced into Parliament by the middle of next year.

What is going to happen to unformed legal roads? The consultation process attracted considerable comment and debate about the value of, and need to protect, the extensive network of unformed public roads because they are a valuable tool for extending public access to the countryside. These roads provide the most legally secure form of access as they also allow access to vehicles, horses, etc. Nevertheless, their location is often difficult to determine. Under the work programme, there is to be a closer examination of how unformed legal roads can be better used to enhance public access to the countryside. The role of local authorities in managing and protecting this valuable network of access ways will be considered.

What information is available? Documents relating to this project are available on the Ministry of Agriculture and Forestry website: www.maf.govt.nz/mafnet/rural-nz/people-and-their-issues/access/. This includes press releases, summaries of meetings and submission analysis from the consultation process, as well as the reports, *Walking Access in the New Zealand Outdoors*, and *The Law on Public Access Along Water Margins*.

How can you participate? There will be further opportunities to participate through the consultation processes described above, and when legislation is put forward, through the Select Committee process. However, if there are other matters you wish to raise, you can write to Jim Sutton, Parliament Buildings, Wellington.

Public Consultation: Drowning & Falls Prevention

People can make submissions on two recently released draft strategies to prevent drowning and falls. The drowning prevention strategy is about ensuring that people can continue to have fun in the water, and stay safe while doing so (on average, 130

people drown in NZ every year and about 650 people are hospitalised as a result of water-related injuries).

Falls were particularly common in children and older adults, but affected all age groups. They are the leading cause of hospitalisation from injury, and one of the top three causes of injury-related deaths in NZ. There has been a rapid increase in falls prevention activity over recent years, and the strategy will help guide and co-ordinate the efforts of central and local government, non-government and community organisations.

Submissions close on 18 February 2005. To make a submission on the Drowning Prevention Strategy: Towards a Water Safe NZ 2005–2015 and/or Preventing Injury from Falls: The National Strategy 2005–2015, contact 0800 THINKSAFE (0800 844 657) or visit www.nzips.govt.nz

Meetings: Managing Our Freshwater

The government is seeking feedback on its preliminary thinking on managing water resources now and into the future. A series of consultation meetings is being hosted by MAF and Ministry for the Environment staff at 20 centres around the country this month. These meetings form part of the Sustainable Water Programme of Action which focuses on water quality, water allocation and use, and methods for identifying water bodies of national importance.

A discussion paper on finding the best ways to manage NZ's freshwater resources sustainably was released in early December 2004. The discussion paper sets out to examine the pressures on our water resources and the different ways in which NZers value water. Submissions on the discussion paper close on 18 March 2005.

A list of the public meetings and hui is below. For further information please email waterprogramme@mfe.govt.nz or visit www.mfe.govt.nz or www.maf.govt.nz

Public Meetings

Auckland – Ellerslie Convention Centre
1 February - 7.30 – 9.00 pm

Hamilton – Ferrybank Reception and Conference Centre
1 February - 7.00 – 9.00 pm

Gisborne – Gisborne Hotel
1 February – 7.00 – 9.00 pm

Whangarei – Kingsgate Hotel
2 February - 7.00 – 9.00 pm

Rotorua – Royal Lakeside Novotel Hotel
2 February - 7.00 – 9.00 pm

Palmerston North – Palmerston North Convention Centre
7 February - 7.00 – 9.00 pm

Wellington – Duxton Hotel
8 February - 7.00 – 9.00 pm

New Plymouth – Plymouth International Hotel and Conference Centre
8 February - 7.00 – 9.00 pm

Blenheim – Scenic Circle Blenheim Country Hotel
8 February – 7.00 – 9.00 pm

Taupo – Copthorne Resort Manuels
9 February - 7.00 – 9.00 pm

Nelson – Seifried Function Centre
9 February – 7.00 – 9.00 pm

Christchurch – Christchurch Convention Centre
14 February - 7.00 – 9.00 pm

Dunedin – Fullwood Room, Dunedin Centre
14 February - 7.00 – 9.00 pm

Invercargill – Ascot Park Hotel
14 February – 7.00 – 9.00 pm

Timaru – Phar Lap Raceway
15 February - 7.00 – 9.00 pm

Alexandra – Centennial Court Motor Inn
15 February 7.00 – 9.00 pm

Greymouth – West Coast Regional Council
15 February – 7.00 – 9.00 pm

Hui

Greytown – Papawai Marae
3 February – 10.00 am – 3.00 pm

Nelson – Whakatu Marae
7 February - 10.00 am

Christchurch – Te Waipounamu House, 159 Hereford Street
8 February – 11.00 am

Invercargill – Murihiku Marae
10 February – 10.00 am

Dunedin – Karitane Marae
11 February – 10.00 am

Kaitaia – Far North Community Centre
14 February – 6.00 pm

Whangarei – Whangarei Terenga Paraoa Marae
15 February – 10.00 am

Auckland – North Harbour Stadium
16 February – 10.00 am

Hamilton – Waikato Rugby Stadium
17 February – 10.00 am

Taupo – Wairakei Resort
18 February – 10.00 am

Whakatane – Maungarongo Marae
21 February – 10.00 am

Gisborne – Gisborne Hotel
22 February – 10.00 am

Napier/Hastings – Heretaunga Taiwhenua Admin Centre
23 February – 10.00 am

Wellington – Waiwhetu Marae
28 February – 10.00 am

National Population Projections: 2004(base) – 2051

NZ's population is projected to increase by almost one million people between 2004 and 2051. This will see the five million population mark surpassed in 2041. The population is projected to reach 5.05 million in 2051, 24 percent higher than the estimated resident population of 4.06 million at 30 June 2004. These figures are from mid-range series 5, one of nine different projection series

derived to indicate the likely future size and structure of NZ's population.

Under this demographic scenario, the population is expected to grow by an average of 0.8 percent a year between 2004 and 2011. Between 2041 and 2051, population growth is projected to average just 0.1 percent a year. Births are projected to drop in number from 58,000 in 2004 to 50,000 in 2051; over the same period deaths will go from 28,000 to 59,000. Deaths are projected to outnumber births from 2042.

Population ageing is likely to continue. In 1971, half of NZ's population was aged 26 years and over. By 2004, the median age had increased to 35 years, and by 2051 it is projected to reach 46 years. The projections suggest that higher migration levels are unlikely to significantly slow the ageing process. With a net migration gain of 15,000 a year, the median age will be 45 years in 2051. With net migration of 5,000 a year, the median age will increase to 47 years in 2051.

The number of children (0–14 years) is projected to decrease from 890,000 in 2004 to 820,000 in 2021. A further smaller decrease, to 790,000, will occur between 2026 and 2051. Children will make up 16 percent of the population in 2051, compared with 22 percent in 2004.

In contrast, the population aged 65 years and over is projected to double, from 490,000 in 2004 to 970,000 in 2027, and continue increasing to 1.33 million in 2051. The number of people aged 65 years and over is expected to surpass the number of children by 2022. In 2051, 26 percent of the population will be aged 65 years and over, compared with 12 percent in 2004. Within the 65 years and over age group, there will be about 320,000 people aged 85 years and over in 2051, six times the 2004 total of 54,000.

The working-age population (those aged 15–64 years) is projected to increase from 2.69 million in 2004 to 2.98 million in 2024, before declining gradually to 2.93 million in 2051. Most of the increase will be in the older half of this age group (40–64 years) as the large number of people born after World War II move through these ages. In 1991, the population aged 15–39 years was 56% larger than the population aged 40–64 years. In 2011, the 40–64 age group is expected to overtake the 15–39 age group in size.

In 2004, there were 5.5 people in the working-age group for every person aged 65 years and over. This ratio is expected to drop substantially, to 3.0 in 2028 and 2.2 by 2051. In the mid-1960s the ratio was 7.1 people in the working-age group for every person aged 65 years and over.

Thanks to Statistics NZ

Financial Assistance for Live Organ Donors

Live organ donors will be eligible for financial assistance from 1 February 2005. People who donate a kidney or liver tissue for transplantation in New Zealand may be eligible for support to help cover associated loss of income and childcare costs. This will include donors from overseas.

The support will be available for up to 12 weeks from the date of the operation to remove the kidney or liver tissue. Donors who are forgoing income will be paid either an amount equivalent to the sickness benefit or their pre-operation income, whichever is lower. Donors won't need to use their employer-paid sick or annual leave to qualify.

Existing beneficiaries may need to be transferred to the Emergency Benefit to overcome the benefit eligibility criteria and/or work test obligations. In addition, donors who have new or additional childcare costs because of the donation will be eligible for childcare assistance for up to 12 weeks after their operation.

The income support will not be income or asset tested, and the payments will not be subject to income tax. This means they will not be treated as income for Child Support, Student Loan and Family Assistance purposes.

NZ National Climate Summary – 2004

Forest fires, flooding assessed as the worst in living memory, tornadoes, blizzards, hailstorms and persistent storms with gale force winds characterised a year of dramatic climate extremes. The year produced new records for rainfall, temperatures and sunshine in most months and was dominated by strong stormy westerly and south-westerly winds more frequent than normal.

There were rogue qualities in the overall climate pattern. These included the anticyclones that dominated in January and then gave way to stormy westerlies and south westerlies in February, which produced the most extreme rainfall and flooding experienced in Manawatu and Taranaki since the 1920s.

The year began with very high temperatures accompanied by high winds, producing life-threatening forest fires in early January in Canterbury. These gave way to record rainfall in Taranaki/Wanganui, making flooding the dominant climate hazard by the end of February. June was very warm and July brought another bout of flooding in the Bay of Plenty, while the south stayed extremely dry. August received very persistent cold southerlies, producing blizzards and high winds. Persistent strong, cold, stormy south westerlies dominated the remainder of the year, with December being unusually cold.

2004 was one of the wettest years on record in parts of Bay of Plenty, Manawatu, Kapiti, Upper Hutt and the Wairarapa. Rainfall was more than 125 percent of normal in Manawatu, Wanganui, eastern Bay of Plenty, Horowhenua, and Wairarapa, and at least 110 percent of normal in Waikato, King Country, south Taranaki, Wellington, western Bay of Plenty, Gisborne, Nelson, and Southland. Totals were 75 to 90 percent of average in coastal Marlborough and eastern Otago. Rainfall was near normal elsewhere.

Of the four main centres, Christchurch was the driest with 643 mm (102 percent of average) and Wellington the wettest with 1447 mm (116 percent of average). Auckland received 1331 mm (107 percent) and Dunedin 765 mm (94 percent). Middlemarch, in eastern Otago, was the driest of the sites where NIWA measured rainfall, with only 441 mm (85 percent of average), followed by Alexandra with 492 mm in Central Otago (134 percent of average). Of the regularly reporting rainfall stations, the wettest location in 2004, for which rainfall data are presently available was the Cropp River gauge in Westland, inland in the headwaters of the Hokitika River, with an annual total of 10,920 mm.

The 2004 national average temperature, calculated by NIWA, was 12.3°C, 0.3°C below the 1971–2000 normal, and the lowest since 1993. For NZ as a whole, there were seven cooler than average months (February through April, and July through September, and December), four warmer than average months (January,

May, June and November), and one month with mean temperatures close to the climatological average (October). The warmest locale was Whangarei, with a mean temperature for the year of 15.3°C (0.3°C below average).

2004 mean temperatures were about 0.3°C below average in most regions, but at least 0.7°C below average in parts of Auckland, King Country, inland Bay of Plenty, coastal Wairarapa, Buller, and inland areas of the South Island.

Sunshine hours were more than 105 percent of normal in coastal Otago, less than 95 percent of normal in Waikato, Taupo, Manawatu, south Taranaki, and the Southern Lakes, and near normal in all other regions. Christchurch was the sunniest of the four main centres with 2096 sunshine hours, followed by Wellington (2073 hours) and Auckland (2066 hours). Dunedin recorded 1746 hours. Nelson was the sunniest centre in 2004, recording 2457 hours, followed by Blenheim with 2393 hours, and then Tauranga with 2360 hours.

Where Do You Want to Retire

If you are receiving NZ Superannuation or a Veteran's Pension, you can live anywhere in the world and still receive partial or even full payments. NZ has bilateral social security arrangements with several countries. You may retire to the following countries and still receive payments (except the UK where NZers are paid under the UK scheme): Australia, Canada, Denmark, Republic of Ireland, Greece, Guernsey and The Netherlands.

The agreements differ for each country, but entitlement is usually proportionate to the period of time you have lived in NZ after age 20.

If you retire to some Pacific countries, NZ's Special Portability Arrangement allows you to continue getting NZ Super or a Veteran's Pension. Up to 100 percent can be paid, if you have lived in NZ for 20 years or more.

If you retire to a country not covered by a social security agreement of the Special Portability Arrangement, you can take up to 50 percent of your NZ Super or Veteran's Pension with you under the General Portability Arrangement. To be eligible under the Special Portability and General Portability Arrangements, you must apply before leaving NZ. Please discuss your plans with International Services before leaving NZ.

For more information contact International Services on the following numbers:

- Australian Agreement – 0800 777 227;
- Agreements with UK, Jersey/Guernsey, Republic of Ireland – 0800 771 001; and
- Other countries – 0800 777 117.

Email: international.services@msd.govt.nz and website: www.workandincome.govt.nz/get-financial-assistance/international-services/index.html

Thanks to "MSDS News"

Internet Items

The Global Picture: the Next 20 Years. "Mapping the Global Future" is the third unclassified report prepared by the CIA's National Intelligence Council in the past seven years that takes a long-term view of the future. As with the earlier NIC efforts –

“Global Trends 2010” and “Global Trends 2015” – the project’s primary goal is to provide US policymakers with a view of how the world developments could evolve, identifying opportunities and potentially negative developments that might warrant policy action.

The report is based on a series of conferences attended by regional experts around the world, and tackles issues such as globalisation, evolution and retrenchment of democracy, and rise of trans-national entities. The report explores several possible futures with names like “Davos World”, “Pax Americana”, and “A New Caliphate”.

The document can be downloaded from <http://www.foia.cia.gov/2020/2020.pdf> – however, it’s very large (123 pages, 6.7Mb).

CommunityNet Aotearoa customer survey underway.

CommunityNet Aotearoa has launched an online survey to gather customer feedback and suggestions. CommunityNet (www.community.net.nz) is the information-sharing website for NZ community and voluntary organisations. It is managed by the Local Government and Community Operations Branch, with assistance from an Advisory Group drawn from community organisations.

The results will help the CommunityNet Advisory Group and the Department of Internal Affairs set priorities for CommunityNet development. A summary will be available to people and organisations taking part. The survey is online at www.community.net.nz/survey takes about ten minutes, and closes on 21 February.

New Meat & Wool Directory Available On Line. Meat & Wool NZ has launched a trade directory of meat and wool industry contacts on its website, www.meatandwoolnz.com. The searchable directory has more than 230 contacts and companies, including meat processors and exporters, and key contacts in the wool industry, wool brokers, scourers and merchants. There are several options for searching, including by name, market and type of operation. The directory can be printed out in full, or users can print out specific sections they have searched. The directory includes 137 contacts previously printed in *The Business of NZ Meat*, a directory formerly published by Meat NZ, and 95 contacts from the Wool Trade Directory, published by the NZ Wool Testing Authority.

New Look SPEaR website – www.spear.govt.nz – The new version of this website now has information about news, upcoming events, employment opportunities and sector contacts for the social research and evaluation community. A speciality of the site is that people can submit and download abstracts. SPEaR (Social Policy Evaluation and Research) is an inter-agency committee that co-ordinates and prioritises the government’s spending on social policy and research. It oversees improvements in the knowledge base across government.

Update

Record Low January Road Toll

Fewer people died on the road last month than in any January since records began 40 years ago. Land Transport NZ says last month’s road toll stands at 27. This compares with the highest January toll of 62, which was in 1987, and the 1999 January toll of

54, which was twice as high as last month. The previous January low was 28, in 2000.

Cold December

December was the fifth coldest month on record and the coldest in almost 60 years. NIWA says average temperatures were the lowest since 1945, and were equivalent to mid-spring temperatures, rather than those of an early summer. Record-breaking average temperatures occurred in many places, including inland Canterbury, Otago and Southland where they were 4 degrees below normal. Other regions were 2 degrees below normal.

Frequent southerlies also produced a very wet month, with more than twice the normal rain in eastern regions from Hawkes Bay to Southland. Sunshine hours were well below average in many areas in December – of the main centres, Wellington was the sunniest, with Auckland, Christchurch and Dunedin well down. There were many more depressions or lows than normal, producing the strongest south to southwest airflow over NZ on record.

Thanks to NIWA

January Colder than Normal

Climate scientists say the average temperature for January was below average, despite heatwaves in many parts of the country over the last two weeks of the month. The average national temperature for last month was 16.9 degrees, which is 0.2 degrees below normal. But NIWA says the average January temperature was well up on the average temperature for December of 13.4 degrees. The highest temperature recorded last month was 36.2 degrees at Darfield in Canterbury.

Thanks to “NewsRoom”

Governor General’s Term Extended

Dame Silvia Cartwright will stay on as Governor-General for four months (until August 2006) beyond her five-year term because the government wants to avoid the process for choosing her replacement becoming enmeshed in the run-up to the election. Dame Silvia was due to stand down in April next year, and the selection process would have begun later this year. A general election is due in September.

NZ One of World’s Most Free Economies

NZ ranks among the most free economies in the world, according to a survey by the America-based Heritage Foundation. NZ ranked fifth equal in the survey, behind only Hong Kong, Singapore, Luxembourg and Estonia. Last year NZ ranked third, but it fell in position because other countries improved their performance. The Foundation rated NZ highly for its open attitude to foreign investment, its deregulated banking sector, and its monetary policy. It marked NZ down for its top tax rate of 39 percent.

Thanks to “NewsRoom”

Human Fertility Declines Significantly in Developing Countries

With government policies generally supporting family planning programmes, men and women in developing countries are following the trend set in rich nations by waiting longer to marry and then having fewer children, according to the United Nations. The data, released in a UN Department of Economic and Social Affairs (DESA) study called “World Fertility Report 2003”, shows that in

192 countries the median proportion of still-single women between the ages of 25 and 29 rose to 24 percent in the 1990s from 15 percent in the 1970s, while the figures for men were 44 percent from 32 percent over the same period.

More dramatically, the figures jumped to 38 percent from 15 percent among women in just the rich countries and to 57 percent from 26 percent among men in those countries during the same time periods, it says.

The governments of 72 percent of the 192 countries were supporting family planning directly by distributing contraceptives themselves and 17 percent were supporting it indirectly through non-governmental organizations (NGOs). The result was that the median of people using family planning, or the contraceptive prevalence, increased to 52 percent from 38 percent in rich countries, and to 40 percent from 27 percent in developing countries during the same time period.

Female fertility in all countries came to average about 2.9 children per woman, dropping from 5.4 children between the 1990s and the 1970s, while women are starting their families later, it says. The decline results mainly from the significant drop, to 3.9 children from 5.9 children per woman, in developing countries, since rich nations had already shown that tendency, the report says.

Council to Consult on Tissue Transplants

The Bioethics Council is set to explore public attitudes to transplants of animal tissue into humans, ahead of new legislation. Research on animal-to-human transplants, known as xenotransplantation, has been restricted by law since 2002, but that prohibition is due to expire in July. The survey will canvass cultural, ethical and spiritual attitudes to using animal tissue in humans as part of a wider review of the law on human tissue.

Tsunami Response Package

NZ's official response to the relief and reconstruction efforts in the region affected by the Boxing Day tsunami is a package totalling \$68 million. It comprises:

- \$20 million for United Nations tsunami relief efforts;
- \$20 million for NZAID's bilateral programme in Indonesia to enable it to support relief, reconstruction, and development work in Aceh/Sumatra. (This represents an additional \$4 million dollars per annum for five years, an increase of close to 50 percent per year for the bilateral ODA programme with Indonesia);
- \$19 million for dollar-for-dollar matching of public donations;
- \$4 million for other contributions that will enable NZ to meet specific requests (for example those from the Red Cross and through Commonwealth channels); to provide technical support (for example, for disaster prevention initiatives); to part-sponsor the NZ Cricket Association's initiative; and other purposes; and
- \$5 million to cover costs incurred by departments in responding to the tsunami where these cannot be absorbed within baselines. This applies particularly to the disaster identification work being co-ordinated by the NZ Police.

NZ Extends Commitment in Afghanistan

NZ Defence Force deployments (NZDF) in Afghanistan have been extended, and for the first time, NZ Police have been deployed to help rebuild the local police force. In detail:

- the Provincial Reconstruction Team (PRT) in Bamyan, consisting of about 120 NZDF personnel, has been extended through until September 2006;
- the deployment of two non-commissioned officers, assisting with the training of the Afghan National Army, has been extended until 31 December 2005;
- two NZ Police officers, who will help train Afghan police officers in Bamyan, will be deployed from March 2005 until the end of 2005;
- four NZDF officers will serve with the International Security Assistance Force till 31 December 2005 (the ISAF supports the Afghan Transitional Authority in the maintenance of security in Kabul and other areas of Afghanistan);
- two NZDF personnel are also deployed in multinational force operational headquarters till 31 December 2005; and
- one NZDF Military Liaison Officer is working with the UN Assistance Mission for one year.

Student Survey: Abusive Mobile Calls

A survey of 1500 secondary school students by Internet Safety group Netsafe has found that almost a quarter of the children had received offensive or threatening messages on their mobile phone. Twenty-three percent had received offensive, pornographic, abusive or threatening text or pictures. A Netsafe spokesperson said young people worry that if they tell their parents, the phones will be taken off them.

Thanks to "NewsRoom"

Scholarship Awards to be Extended

The NZ Scholarship Awards, recognising and rewarding top school students, will now include more students. The changes mean more students will be eligible for awards without lowering the very high standard demanded of students in the exams. Based on the estimated number of awards, there will be around 150 more awards given out than the original estimate of around 350.

The NZ Scholar Award is being extended to those students who achieve outstanding in one or two subjects, instead of three subjects as previously. Provisional results indicate that some students did exceptionally well in Scholarship, but didn't necessarily sit three subjects. Adding more layers to the Award means these exceptional performers can be recognised.

A new Scholarship Award is also being introduced for students who obtain three subjects in Scholarship. There will also be a School Award for the top student, provided that student achieved a scholarship subject. There is to be no change to the Top Overall Scholars and the Top Subject Scholars. Students who achieve more than one award will receive the grant of the highest value only.

More Phys Ed Advisors for NZ Primary Schools

An additional 25 physical education advisers, on top of the 3.25 full time equivalents already working in the area, are being appointed early this year. These advisers will provide extra professional development to teachers in physical activity. Schools will be invited to nominate a teacher to participate in the professional development – which will begin in mid 2005. Professional development will also be offered to senior management and boards of trustees to assist them to develop an understanding of this project.

Milk in Schools Project

A two-year project aimed at improving the health of school children in Waikato could eventually lead to the re-introduction of milk in schools, if it proves successful. Project Energise, to be launched next month with funding from the Waikato District Health Board, aims to encourage a more healthy lifestyle. It will also include free milk to students in low decile schools as a trial.

The project will be looking at a number of other practical measures to improve child health, including looking at ways of increasing physical activity, and better nutritional foods in tuck shops. Sixty-five Waikato schools will be involved in the project.

Thanks to "NewsRoom"

NCEA Results Not Issued Until Fees Paid

The NZ Qualifications Authority says it won't issue more than 14,000 NCEA students with a formal record of their exam results until they pay exam fees. The NZQA says almost 10 percent of the 150,000 students who sat NCEA exams at the end of last year are still to pay the fee, which is up to \$150 for a domestic student. It says this year's level of non-payment is nothing out of the ordinary, and it expects to continue getting late payments until it issues the formal record of learning in April. The record is needed by employers and tertiary institutions as evidence of a qualification.

Thanks to "NewsRoom"

Youth Transition Expanded

Manukau, Hamilton, Gisborne, Hutt/Upper Hutt and the Far North have been selected as the next five sites for the roll-out of the Youth Transition Service, at a cost of \$7.9 million. Originally, five sites were announced in August 2004, and these are due to be formally launched next month in Whangarei, Waitakere, Rotorua, New Plymouth, and Porirua. The programme will be launched in a further four communities by 2007, bringing the total to 14.

The Youth Transition Service, co-ordinated through the Ministry of Social Development, provides funding for regional programmes which:

- provide at risk youth with access to career planning and job-seeking help;
- encourage and assist youth to take advantage of education and training opportunities; and
- provide school-leavers with customised support and guidance to facilitate their pathway into work, education or training.

Minimum Wage Increased

The minimum wage will increase from \$9 to \$9.50 per hour from 21 March 2005. The minimum hourly rate for workers aged 16 and 17 years will move from \$7.20 to \$7.60 an hour, to keep it at 80 percent of the adult minimum wage. The minimum training wage, which is set at the level of the minimum youth wage, will move to the same rate. These changes will benefit about 35,000 adult workers and 6,500 youth workers.

Employers, unions and employees can contact the Department of Labour on 0800 800 863 for more information or go to www.ers.dol.govt.nz.

Rural Schools' Techno Project

A new project supports people from rural communities as they undertake the NZQA-registered Diploma in Information and Communications Technology. The 18-month course will provide nine technicians with a recognised qualification, while at the same time guaranteeing quality-assured technical support to a number of rural communities. There needs to be people on hand who can give technical support, as well as train those using the high-speed internet equipment that comes with Project Probe.

Schools hosting project technicians are Tarrangower School (Taurarunui), Northland College (Kaikohe), Tuatapere Community College (Southland), Tikokino School (Waipawa), Opononi Area School (Hokianga), Stratford Primary School (Stratford), Reporoa School (Reporoa), Dargaville Primary (Dargaville) and Opaki School (Masterton).

Valuing the Skills of Older People

Making the most of the knowledge and experience of older people in the community so they help families in need is the basis of a new initiative called SAGES. SAGES provides funding for mentoring programmes whereby older volunteers pass on their life skills for families and individuals in need of assistance. Volunteers will work with families to develop their skills in areas such as home management, cooking, budgeting and positive parenting.

The programmes will be initially funded for three-and-a-half years in Northland, Bay of Plenty, Manawatu-Wanganui and Otago. Funding will cover the set-up costs for establishing a mentoring programme, volunteer training, transport and administration.

For more information on SAGES visit www.familyservices.govt.nz, or contact Carla Guy (04) 916 3452, Renee Graham (04) 916 3314, or email sages@familyservices.govt.nz

Reducing Red Tape for Community Groups

Funding agencies have joined forces to reduce the amount of red tape for community groups who are contracting to more than one government agency. The Funding for Outcomes project is being led by the Ministry of Social Development (MSD), and it aims to reduce transaction and compliance costs for community groups by bringing together an organisation's individual contracts into one integrated agreement. About 30 community groups are currently involved in the project with several integrated contracts now in place.

The project has produced a kitset of contract elements as a way of making the process of contract integration as quick and easy as possible for participating community groups. The kitset and other processes will be refined based on results from an independent evaluation.

Thanks to "MSD News"

Assisting More to Work

\$27 million will be spent with the aim of getting more long-term unemployed into work and helping some more Sickness and Invalid's beneficiaries get jobs. Cabinet has agreed to initiatives that include enhanced wage subsidies for employers taking on people who have been unemployed longer than three years, intensive case management, home visits for long-term unemployed and increased availability of training.

Changes to the Sickness and Invalid's Benefit service were also announced. The New Service for Sickness and Invalids' Benefit Recipients, piloted last year, is now being rolled out in regions across the country. The Service includes initiatives designed to cut case manager loads by more than half, provide assistance to beneficiaries to have their medical needs addressed so that they can return to work, advise employers on the hiring and retention of staff with ill health or disabilities and tailor career services and skills identification to the specific needs of people on Sickness and Invalids' Benefits.

PATHS Pilot Extended

A new approach to support people on Sickness and Invalids' Benefits back to work has been extended to Wellington after being piloted in Auckland. The programme will be rolled out to other parts of the country in the coming year.

PATHS (Providing Access to Health Solutions) helps people on those benefits back into work by providing access to a range of health interventions, including intensive physiotherapy, access to pain clinics, fitness programmes, and extra visits to health professionals for the management of chronic diseases such as diabetes and asthma.

Thanks to "MSD News"

Work Begins: Children's Longitudinal Study

Work is about to start on the development phase of a longitudinal study of NZ children and families (a longitudinal study gathers information on the same group of children as they grow from birth to adulthood, together with information about family background and wider environmental influences). This kind of study offers the best means of understanding causal influences on child development and examining the effects of important life transitions.

New Zealand has a good record in these longitudinal studies, but as the current studies began in the 1970s, much of the information concerning young children is ageing.

The work is being lead by the Ministry of Social Development's (MSD) Centre for Social Research and Evaluation in partnership with the Health Research Council (HRC), along with support from the Ministries of Health and Education, Treasury and the Families Commission. A tender will be let for detailed design and development work over the next 18 months.

More information can be found on the HRC website at www.hrc.govt.nz

Thanks to "MSD News"

New Export Education Innovation Programme

The recently announced Export Education Innovation Programme (that was part of Budget 2004) aims to further develop the NZ export education industry as a world class and innovative provider of education overseas. The Programme recognises the need to provide limited but practical support to international educators that are looking at diversifying their services offshore.

The programme will be administered by Education NZ, and will provide an initial pool of \$500,000 that will be allocated to innovative diversification projects this financial year. The fund grows to \$1 million per annum for the three subsequent years.

Prison Population Predictions: Next Five Years

The Ministry of Justice's Annual Update of Forecasts of the Prison Population predicts the number of prisoners will increase from an average of 6865 in 2004/05 to an average of 7880 in 2009/10 – up by around 15 percent. The average number of prisoners in 2003/04 was 6313.

The main drivers in the predicted increases were:

- continued increase in the number of prosecutions due to more crimes being resolved by police and the recent appointment of additional judges enabling cases to be heard sooner;
- expected increases in the proportion of the imposed sentence served by inmates as a result of the Parole Act 2002;
- increase in the use of custodial remand (as opposed to bail) as a result of the Bail Act 2000;
- increase in imprisonment rates and the average length of sentences being imposed as a result of the Sentencing Act 2002; and
- increased numbers of offenders being sentenced to preventive detention.

Counter-Terrorism Risk Assessment Group Formed

A combined counter-terrorism assessment group has been established in a bid to boost NZ's capacity to deal with security issues. It comprises officials from the police, the Security Intelligence Service, the Defence Force and the Government Communications Security Bureau. Its aim is to take all intelligence and information streams into account when potential threats are being considered. The group brings together intelligence staff from a range of agencies to assess security threats to NZ and in countries that NZers may visit.

Thanks to "NewsRoom"

Ngati Mutunga Deed of Settlement

The Crown and the Ngati Mutunga Iwi Authority initialled a Deed of Settlement for the iwi's historical Treaty of Waitangi claims at the end of last year. The deed outlines an offer that includes:

- cultural redress reflecting Ngati Mutunga's relationships with places and sites owned by the Crown within their area of interest;
- commercial and financial redress worth \$14.9 million; and
- acknowledgements and an apology from the Crown for historical breaches of the Treaty and its principles.

Cultural redress includes the transfer of 10 sites covering about 125 hectares of land with historical, traditional and spiritual significance. They include the Onaero and Urenui Domain recreation reserves.

The Crown confiscated all of Ngati Mutunga's land in 1865, despite the iwi not being in rebellion against the Crown. A Royal Commission in 1927 found this land should not have been taken. The Crown accepts these actions were in breach of the Treaty, and it also accepts the harsh treatment of Ngati Mutunga prisoners in the 1860s, and those imprisoned as a result of Crown actions at Parihaka in 1881, breached the Treaty.

After initialling, the Deed of Settlement will be subject to ratification by the people of Ngati Mutunga. If ratified, it will be signed by both parties early next year and implemented through legislation.

Stitchbird (hihi) Recovery Plan Launched

The Hihi-Stitchbird Recovery Plan aims over time to bring back hihi or stitchbird to mainland NZ after an absence of more than 100 years. A single self-sustaining population remains on Little Barrier Island, and the plan involves creating four more self-sustaining populations to ensure survival of the species.

Hihi were once found throughout the North Island but declined because of loss of forested areas and the introduction of predators and avian diseases. This bird is now listed as a “nationally endangered” species. Recent genetic analysis has revealed hihi may belong to a new family of birds (yet to be named) found only in NZ, like the wattle bird family of kokako and saddleback. Previously it was thought they belonged to the honeyeater family along with tui and bellbird.

Food & Beverage Taskforce Members Named

The government has named the leaders from the food and beverage industries who will make up the Food and Beverage Taskforce. The taskforce aims to make sure the whole range of government activities that impact on the sector are coordinated and aligned, and that policies support the sector’s growth.

Government representatives on the Taskforce include: the Economic Development Minister Jim Anderton, Agriculture Minister Jim Sutton, MAF Director General Murray Sherwin, and the Chief Executive of NZ Trade and Enterprise, Tim Gibson. Tony Nowell, Griffin’s Foods Ltd Managing Director, will co-chair the taskforce with the Minister of Economic Development. The industry members include:

- Marketing Manager for Blue Sky Meats (NZ) Ltd, John Upton;
- Auckland University’s Head of the Discipline of Nutrition, Lynnette Ferguson;
- NZ Council of Trade Union’s Secretary, Carol Beaumont;
- Chief Executive of the Emerald Group, Diane Foreman;
- Chief Executive of Heinz Wattie’s Ltd, Tegel Foods Ltd and Heinz Wattie’s Australia, Peter Lucas;
- Chief Executive of Aotearoa Fisheries, Robin Hapi;
- Chief Executive of the NZ Institute for Crop and Food Research Ltd, Paul Tocker;
- Chief Executive of Zespri, Tim Goodacre;
- National Secretary for the Dairy Workers Union, James Ritchie;
- International food journalist, Lauraine Jacobs;
- Country Manager for Blackmores, Alison Quesnel;
- General Manager of Ngai Tahu Seafood Group, Gavin Holley;
- Group Director Strategy and Growth of Fonterra, Graham Stuart; and
- Farmer and former chairman of Richmond Meats, Sam Robinson.

NZ Centre to Open in Hong Kong

NZ Trade and Enterprise is to open the first ever “NZ Centre” in Hong Kong later this year, as part of its wider moves to make the most of trade opportunities in China, Hong Kong and the wider North Asia region for exporters. NZTE will work with private sector companies and other organisations to open a 5000 sq m combined retail, business and education showcase centre in Hong Kong’s Causeway Bay, in the heart of Hong Kong’s busiest thoroughfare. Further details of the NZ Centre, including NZTE’s foundation partners, will be announced in March.

Commercial Fishery Valued at \$3.5 Billion

The most recent estimate of the country’s commercial fish stock values it at \$3.5 billion. The figures, from Statistics NZ, cover the year ending September 2003. Hoki made up 23 percent, followed by rock lobster at 20 percent. Paua and rock lobster increased in value by 130 percent and 87 percent respectively between 1996 and 2003. The figures do not include recreational or customary catches, or species reared under aquaculture conditions.

Recent Trends in Takeaways

According to a recent Herald-DigiPoll survey Asian food has edged ahead of fish and chips as NZers’ favourite takeaway. In the survey, 31.6 percent said that when they bought takeaways, Asian food was their most common choice, compared with 28.7 per cent who ordered fish and chips. A year ago, fish and chips held a slight national lead, on 29.5 percent, to 27.8 percent for Asian dishes. In the latest poll, the rest of the pack remains well behind, led by pizza on 10.9 percent, hamburgers on 8.9 percent and KFC on 5.8 percent. However, although Asian takeaways are the clear leader for adults under 60 in the Auckland region, fish and chips still dominates in the rest of the country and among the elderly.

Seasonal Worker Recruitment Drive Begins

Hawke Bay’s fruit and vegetable industry and Work and Income NZ (WINZ) have begun a major job recruitment drive called PickNZ to find 17,000 people to harvest this season’s crop. For the first time, all Hawke’s Bay seasonal work opportunities will be available online in one central location over the harvesting season on a new industry led website.

PickNZ’s long-term aim is to create a NZ harvest trail of seasonal work where people can travel and work for up to eight months of the year throughout NZ’s fruit and vegetable growing regions. It is being tested in Hawke’s Bay, where there is the largest seasonal labour demand. If it proves successful the organisers will look at rolling PickNZ out nationally for next year’s harvesting season.

PickNZ is an initiative of Hawke’s Bay Fruitgrowers’ Association (HBFA), the NZ Fruitgrowers’ Federation (NZFF), and is supported by Work and Income NZ and other government agencies including Immigration, Inland Revenue. Hawke’s Bay Tourism and Backpacker Hostels are also helping the project.

NZ Entrepreneurs: Some New Figures

Preliminary Results from this year’s Global Entrepreneurship Monitor (GEM) were released recently. At 14.7 percent of the adult population counted as entrepreneurs, NZ’s “Total Entrepreneurial Activity” (TEA) for the fourth year in a row is ranked

highest in the developed world (the GEM world's average rate is 8.4 percent).

Yet our entrepreneurs may not be creating as much wealth as other countries. Why? GEM's NZ director had this to say. "NZ's problem is not its overall rate. The problem is in the inappropriate number of 'necessity entrepreneurs', who are forced to launch a business for lack of better opportunities but do not have the education or mind-set to succeed." (NZ's "necessity entrepreneurship" rate is similar to a Third World country such as South Africa, say GEM.)

The problem seems to be that high rates of necessity entrepreneurship contribute little to economic growth or innovation, according to evidence from other high-growth countries. This may explain why NZ's entrepreneurs do not create as much wealth as in other countries, says GEM.

GEM's policy recommendations for NZ focus on entrepreneurship education. There is a need to instil the entrepreneurial mind-set in the general population, not just amongst entrepreneurs themselves. It is important to educate the population about entrepreneurship, especially in elementary and secondary schools.

The GEM is billed as "the most comprehensive country-by-country comparison of entrepreneurship in the world". In NZ it has been conducted annually since 2001.

BSE Found In Goat

The first known case of BSE, or mad cow disease, being found in an animal other than a cow has been confirmed. The brain-wasting disease was found in a goat slaughtered in France in 2002. Scientists initially thought the animal had scrapie, a similar disease which is found in sheep. The outbreak of BSE devastated European cattle herds, and more than 100 people in the UK died from the human form of the disease after eating tainted beef.

The European Commission says there is little risk to humans because measures have been put in place in the last few years to protect the human food chain from contaminated meats. The EU has more than 11 million goats with the largest herds found in France, Spain and Greece.

Thanks to "NewsRoom"

Elvis Claims 1,000th Number One

Elvis Presley's single "One Night" has made history by becoming the 1,000th UK number one – as well as his 20th UK chart topper. Elvis now has more number one UK hits than any other artist, beating The Beatles' 17 chart toppers (eighteen Elvis tracks are being re-released in the UK to commemorate his life).

BBC, 16 January

The Top 20 Music Videos Ever

According a poll of 31 pop stars, video directors, agents and journalists commissioned by British mobile phone operator 3, the greatest music video of all time was "Hurt", Johnny Cash's valdictory single recorded just six months before his death. The video shows a frail and ailing Cash at home, dressed in his usual black outfit, playing guitar and piano, interwoven with past footage of the "Man in Black" in his heyday.

The complete list: **1** Hurt, Johnny Cash, 2003; **2** Thriller, Michael Jackson, 1983; **3** Come to Daddy, Aphex Twin, 1997; **4**

Just, Radiohead, 1995; **5** Billie Jean, Michael Jackson, 1983; **6** Take on Me, A-Ha, 1985; **7** Sledgehammer, Peter Gabriel, 1986; **8** Nothing Compares 2 U, Sinéad O'Connor, 1990; **9** Sabotage, Beastie Boys, 1994; **10** Vogue, Madonna, 1990; **11** Human Behaviour, Bjork, 1993; **12** Rio, Duran Duran, 1982; **13** Two Tribes, Frankie Goes to Hollywood, 1984; **14** Coffee + TV, Blur 1999; **15** The Hardest Button to Button, The White Stripes, 2003; **16** What's My Age Again?, Blink-182, 1999; **17** Ashes to Ashes, David Bowie, 1980; **18** Bohemian Rhapsody, Queen, 1975; **19** Praise You, Fatboy Slim, 1999; **20** Another Brick in the Wall, (Part 2), Pink Floyd, 1979.

Appointments

The main changes to Cabinet portfolios, announced at the end of last year, are:

- Michael Cullen will become Attorney-General in February after Margaret Wilson leaves the Cabinet, while retaining all his existing portfolios.
- Jim Anderton adds the Forestry portfolio to his responsibilities.
- Steve Maharey retains his Social Development and Employment portfolio, and becomes Minister for Research, Science and Technology, Minister for Crown Research Institutes, and Minister for Youth Affairs. He drops his responsibilities as an associate education minister.
- Jim Sutton relinquishes the portfolios of Forestry and Rural Affairs.
- Trevor Mallard is the Vote Minister for Education, with direct responsibility for tertiary, international and early childhood education. He also becomes Minister of Energy.
- Pete Hodgson remains Minister of Transport, but also becomes Minister of Commerce, Minister for Land Information and Minister of Statistics. In addition he becomes Associate Minister of Health, with a brief to focus on the longer-term funding issues in the Health portfolio, including elder care and disability services.
- Parekura Horomia becomes an associate to the Minister of State Services and the Minister of Youth Affairs, as well as retaining existing portfolios.
- Mark Burton becomes the Minister in Charge of Treaty Negotiations in February, and is an associate in the meantime.
- Paul Swain takes over the State Owned Enterprises portfolio from Mark Burton.
- Marian Hobbs relinquishes her responsibilities in education and takes on the associate justice responsibilities of David Benson-Pope and Margaret Wilson. She also becomes the Minister responsible for the Law Commission.
- Ruth Dyson relinquishes her Associate Health responsibilities.
- Chris Carter becomes the Minister of Building Issues.
- Rick Barker becomes the Minister for Small Business.
- David Benson-Pope retains his Fisheries portfolio and becomes the Minister responsible for the Education Review Office. He will also be an Associate Minister of Education, with responsibility for the compulsory sector and special education. He will retain his role as Associate Minister of the Environment to see through the Resource Management Act amendments and his Associate Minister of Justice portfolio to see through the Relationships (Statutory References) Bill.
- Damien O'Connor becomes Minister for Rural Affairs.

- David Cunliffe becomes Minister of Communications and Minister of Information Technology, and adds an associate role in State-Owned Enterprises.
- Mita Rininui has been promoted from being a parliamentary under-secretary to being a minister outside of Cabinet.

And in the National Party:

- Katherine Rich loses her welfare portfolio and moves off the front bench into number 10 in the caucus line up;
- Judith Collins takes over the welfare role and her health spokespersonship goes to Paul Hutchison; and
- Finance spokesperson John Key moves to the front bench.

Justice Anthony Randerson is the new *Chief High Court Judge*. Justice Simon France has been appointed a *Judge of the High Court*. Barry Matthews is the new *Chief Executive of the Department of Corrections*. Wayne Donnelly is the new *Chief Executive and Director of Land Transport*. Russell Marshall has been appointed as *Chair of the Tertiary Education Commission (TEC)*. *Commissioner of Police*, Rob Robinson, has been reappointed for a further term of two years. John King has been reappointed as *Chair of the Takeovers Panel*. Dr Geoffrey Page is the new *Chair of the Testing Laboratory Registration Council (TELARC)*, and there are two new *members*: Dr Richard Janes and Nigel Cann. Colin Beyer and Cathy Quinn have been reappointed to the *Securities Commission* for second terms of five years. *Maori Television's* new *Chief Executive* is Jim Mather. Julie Rickman has been appointed as a member of the *Accounting Standards Review Board*. *Fonterra* has appointed Guy Cowan as *Chief Financial Officer*.

Resources Available

When Debt Becomes a Problem

Up to 15 percent of NZ households may have debt problems at some point during any 12-month period according to a literature study recently published by the Ministry of Social Development (MSD). The report "When Debt Becomes a Problem", says that a third of these households may have more serious, long-term problems that require external intervention.

Debt is primarily an issue for low-income families, but there are other risk factors like:

- having few financial and human assets;
- being tenants rather than homeowners;
- being single; and
- having dependent children.

Being over-indebted has obvious financial implications in terms of the ability to make ends meet, but it also has negative impacts on health – especially mental health. For some it is a dark cloud that blights their lives and can have a major impact on their family relationships, although others seem to be able to cope with their situations far better. Being over-indebted can also reduce the financial advantages of returning to work and may act as a barrier to employment.

The debt patterns in NZ appear to be broadly similar to those of other OECD countries.

Tertiary Education Sector Performance

NZ's Tertiary Education Sector: Profile & Trends 2003, released by the Ministry of Education, summarises the overall performance of the tertiary education sector in 2003. Key points from the

Copies of the report can be downloaded from www.msd.govt.nz/work-areas/cross-sectoral-work/when-debt-becomes-problem.html

report include:

- In 2003 more than 13 percent of the population aged 15 years and over were enrolled in formal tertiary education, up from 10 percent in 1999, with a nearly 20 percent rise in industry training numbers.
- Maori participation has surged in the last five years and at 20 percent, Maori now have the highest participation rate of any ethnic group.
- University research is thriving with PhD enrolments and completions up by nearly one third each and university income from research contracts topping \$260 million in 2003.
- Qualification completions increased dramatically between 2000 and 2003 at a rate of 51 percent.

Directory of NZ NGOs

The report is available at: <http://www.minedu.govt.nz/index.cfm?ID=10171>

The updated "2004 Dev-Zone Directory of International Development NGOs Aotearoa NZ: 7th Edition" has just been published and is available for purchase. It lists almost 100 NGOs, solidarity, human rights groups, and UN branches in NZ. Each listing includes: Contact Details and Personnel; Country Focus and Activity Types; Approach to Development; Aims and Purpose; Organisational History; Funding/Appeals; Affiliations; Resources and Publications, etc.

Cost: \$NZ 25.00 within NZ (includes GST and postage); \$NZ 27.50 Australia & the Pacific (includes P&P). To order, contact alia@dev-zone.org or go to <http://www.dev-zone.org>

Release of Urban/Rural Profiles

"NZ: An Urban/Rural Profile" was released recently by Stats NZ. It gives an insight into life in urban and rural areas. The report explores diversity using an urban/rural classification developed for this report. These new profiles give more detail than previous urban/rural classifications allowed.

The profiles are: Main Urban Areas; Satellite Urban Areas; Independent Urban Areas; Rural Areas with High Urban Influence; Rural Areas with Moderate Urban Influence; Rural Areas with Low Urban Influence; and Highly Rural/Remote Areas.

Each classification is explored in terms of: Land and environment; People; Social conditions; Work, knowledge and skills; Economic standard of living; and Economic development.

Access this report at: <http://www.stats.govt.nz/urban-rural-profiles/default.htm>

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The MAF/Internal Affairs objective in circulating the Rural Bulletin is to facilitate a two-way information flow between the government and rural people, so that rural people have the opportunity for input into government programmes and policies.

Please photocopy the Bulletin as you wish and distribute it to others in your area. If you would like more information about any of the content of the Bulletin, contact the relevant government department/organisation, or contact the following Ministry of Agriculture and Forestry (MAF) staff:

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