

## United Wheat Growers Chairman's Annual Report - 10/07/2023

Electoral College and guests,

I am pleased to present the 2023 Chairman's Report for United Wheat Growers.

Climatically this season has been one of the better ones for most, with favourable summer harvest conditions followed by a kind autumn for sowing allowing most crops to achieve strong establishment. Saying that, many regions experienced only average yields this year with reports of poor quality grain regionally.

As always, our key focus remains on the Disaster Relief Insurance Scheme. Hail still remains the biggest cost to our scheme by far, followed typically by frost and then flooding and fire. Although over the last decade we have seen claims from flooding increase dramatically, possibly due to the increased volatility we are seeing in our weather.

As Directors we are always mindful of the ever increasing on farm production costs when we renegotiate our annual levy with FMG. We understand it is yet another cost to the grower but also balance that with the value and cover it provides for our crops

After another year of relatively low claims (our third year in a row) and a successful meeting with FMG, we are pleased to report that the cover being offered to growers will increase by \$10/ ton this season. This means \$245/ton will be paid out on any claims, remembering there is no minimum claim threshold required. This small lift may help during a time when Wheat Growers are struggling with rising costs and reduced margins.

We have also managed to hold the levy amount growers pay at the same as last year which in a climate of rising insurance costs we were really pleased about

The QAgainz scheme continues to be an asset to all New Zealand Grain Growers and industry stakeholders. United Wheat Growers oversees the administration, with representatives from end users, auditors, and growers, ensuring industry requirements are consistently met.

Other things United Wheat growers are involved in;

Our Government Industry Agreement (GIA) involvement is on-going, as Border Security poses a potential risk to all farmers, including our industry. We are a member of the Grain and Seed Readiness and Response (GSRR) Incorporated Society and currently contribute to that annually.

We also maintain our membership with the Arable Food Industry Council (AFIC) and support their goal of making New Zealand self-sufficient in Milling Wheat by 2025. Every three years, AFIC also commission BERL to produce an Economic Impact report of the Arable Industry. This report is widely used and relied on by Industry and central Government.

Also the annual AIMI Grain Market Report provides valuable data to support wheat growers and the wider industry in their planning and decision-making when planting and marketing wheat. We financially contribute to this.

The very successful Wheat Competition is again being held this year. It promotes excellence in wheat production and celebrates success within our industry. A big thank you to Guy Wigley and Brian Leadley, who along with Kayla's help have pulled it all together. Congratulations to all tonight's winners.

Looking ahead, we have the Insurance Levy Referendum coming up in 2026 which can take 18 months or more to prepare for so we will begin the process to renew the Levy Order sometime next year. We will be consulting with growers nationwide and hope to achieve a successful outcome, ensuring the stability of the Disaster Relief Insurance Scheme for all New Zealand Wheat Growers.

Finally a big thank you to David Seath, Nicola French, Chelsea Lucking and Kayla McPherson at Brown Glassford & Co. for all their help and support over the past year. At the end of October Chelsea stepped down from her administration role and we wish her well with Kayla now filling this position.

I also want to thank my fellow directors Brian Leadley, Guy Wigley, and Steve Wilkins, for their invaluable input and work over the last year. Brian has recently stepped down as Chair and I would like to acknowledge the strong leadership he has shown over the last 6 years. The role has grown substantially over this time and he has lead us well, thank you Brian. Also thank you to Steve for moving into the vice chairs role.

The Electoral College is also vital to the success of United Wheat Growers, particularly in managing the Disaster Relief Scheme, and thanks to you all for the continued support.

To conclude, I am optimistic about the future of United Wheat Growers, and with the support of all stakeholders, we will continue to thrive as a robust and sustainable organization.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Tayler', written in a cursive style.

Michael Tayler

Chairman