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PRESIDENT'S REPORT

By Jim Moir, President DIAA

The weather for the spring season has been better than the last few years. Rain in most areas has given us good spring grass and hopefully lower feed bills for next year.

The levies reductions are now in place and should be flowing through on venison and velvet returns later in the year and into the future.

We have been contacted by the levies department who advised us that they shall be checking exporters to ensure that all levies are being paid, especially on velvet. Some exporters have advised them that they do not collect the levies from the farmer, so please ensure that you have a declaration stating that the person who buys your velvet will be paying the levy on your behalf. If you are going to pay the levy but are not sure of the procedure, refer to the letter from the department in this magazine issue.

It would appear from the information from the levy department (and an educated guess on some dollars/kg) that the returns from velvet and venison are roughly equal at the farm gate throughout the industry as a whole.

The department notes that 189 animals were exported live and 15,251 were slaughtered up to July 2007. This is well down on the previous year's totals of 801 and 25,762 respectively and is in line with industry estimates. On the velvet side the overall declared quantity was up from approx. 15.6 tonne exported and 688kg sold domestically to approx. 17 tonne and 465kg respectively for 2006/07 season. The declared value for velvet was up markedly over the previous year, however the domestic price/kg was well below the export price last season.

As was noted in the last magazine, the quantity of velvet that ADH&CP received was down to the point that the ADH&CP board has had to look at the viability of the pool for the coming season. With some of our larger suppliers opting for direct selling, it has reduced the volume to the pools. It is anticipated that this will be lower than two pools could justify. Given the reduced volume, the board has decided to try the Pool in November, hopefully for one day, and definitely have a Pool in February. We shall be advising more details directly to those farmers who supply the pools.

Whilst it is a disappointment that the ADH&CP has to reduce its service to deer farmers, it is also a sign of the industry's health. Farmers are now increasing their output to the point that they have sufficient quantities to sell their product at what they regard as a fair price.

Indications from New Zealand are that the velvet price is holding around last season's final pricing. However, the value of the AUD\$ versus NZ\$ (presently @ 1.17NZ) could reduce our returns but should still be a very attractive net return.

The NRS report is in for last year with 1890 analyses on deer with 100% compliance, so there are no problems on the venison market from residue testing. Now if we can just get them to reduce their costs!

Wishing you all the best for the "holiday" and Christmas season. May all your velvet stags cut 6kg of A grade velvet and your venison animals grow out to 100kg in 10 months!!