

Presidents Report for the Year Ending December 2017

The New Zealand Milking & Pumping Association was established in 1932 so as NZMPTA President, I have the pleasure of reporting the year's activities and tasks undertaken on your behalf by your elected committee in the 86th year of the NZMPTA.

Firstly, I would like to take the opportunity to thank the Council Committee Members past and present for their efforts throughout the year. This a voluntary commitment to the industry and goes mostly unseen, the time and effort that is contributed to maintaining standards, affecting change and providing training programmes that benefit our members is an important role. Thanks also must go to those companies that make the commitment in releasing people to be involved, this demonstrates the importance that is attached to the efforts made by the MPTA.

A very special thank you to Maria Scott, our Executive Officer. Maria continues to drive the MPTA with commitment and a desire to make a difference for our members. In addition, I would also like to acknowledge Barry Miller who has been a council member for the last 11 years and in the industry for 37 years. Barry has always been a reliable and active member and has been respected for the time and effort that he has contributed and mention must also go to Skellerup Industries who have supported the MPTA in allowing Barry to attend MPTA meetings for this period, many thanks Barry.

Results and Activity:

- Membership numbers remain very stable at 176, two down on 2016.
- In 2017, we ran 13 training courses with 113 participants with a revenue of \$150K versus 2016 we ran 9 courses with 60 participants generating an income of \$73k. This is an encouraging trend that we hope will continue and get back closer to 2014 with 27 courses 197 participants and an income of \$195K. The majority of the income continues to be generated from the milking machine training courses, in 2017, 5 courses bringing in \$107k with 46 participants.
- We currently have 172 registered milking machine testers the same number as 2016 with an additional 33 with provisional licenses pending their registration, the provisional number is up from 11 in 2016. With mandatory annual milking machine testing it is important that our members recognise the importance of having enough skilled and registered testers on staff to meet the demand. This is a critical responsibility for our industry to support MPI as they enforce the revised NZCP1 that we provide the necessary geographical cover to meet the demand nationally and to the required standard, so please take the opportunity to encourage training of additional testers.
- The Royalties figure to be transferred to MPTA from Technology Training Centre is \$52,855 compared with \$14,617 for the prior year
- MPTA Member's Equity has lifted from 2016
 - \$191k in 2017
 - \$171k in 2016
 - \$200k in 2015
 - \$202k in 2014
- The Apprenticeship was launched in March 2016 and is now providing a knowledge pathway for our members and their employees that will help with attracting and retaining people within the industry. It demonstrates to the market that the milking and pumping industry is professional and provides a measurable standard of work and goes to providing equity to the knowledge that has always been in place. We currently have 40

apprentices signed up to the apprenticeship compared with 26 same time last year. Members should take the opportunity that now exists with two years free funding and encourage their employees to get started on a career in the milking and pumping industry.

- The MBIE has had the process of review of the Plumbers, Gasfitters & Drainlayers Act 2006 on hold for the last two years with no indication that it is getting any closer to actually being reviewed. We had a response from the PGDB in recognizing the work our members do, but as yet we have not been able to formalize this acknowledgement in affecting any amendments to the act. The PGDB continues to campaign for using only authorized plumbers to undertake work in relation to sanitary plumbing, our members need to be aware of the line where the work must be conducted by a registered plumber. The MPTA will continue to look at our options to influence the review process to gain an acceptable outcome for our members
- The MPTA continues to scope the development of a ISO machine testing methodology, this work will continue in 2018. We are taking the approach that we should be proactive in promoting the discussion around revising our standards to ISO. We have attempted to garnish support from the relevant industry stakeholders, the general comment at this time would be that there is only limited interest for moving to ISO for testing.

General Comments:

Our industry continues to operate in an environment that is linked economically to the global dairy trends that now provides a consistent level of uncertainty resulting in a conservative approach to capital expenditure. The electioneering in 2017 by the labour party and now the government has added to a nervous rural economy and a higher sense of risk avoidance and desire not to take on further debt. The signals are still unclear as to their position in supporting the farmer and small business owners that make up the engine room for driving a successful New Zealand economy. Add to this a current season where dry weather has contributed to reduced milk volumes in some areas, the New Zealand Milking and Pumping industries continue to operate in business conditions that demand the ability to react quickly to the changing environment.

In such conditions, it is encouraging to see so many business investing in the one key area that contributes directly to their success and that is their people. Being able to offer good keen people with an option of developing their career path utilising the apprenticeship scheme gives our member business's some surety of staff loyalty and skills.

To close I would like to again acknowledge all of our Council Members who volunteer their time; working at their own cost for our Members and the betterment of the industry. The work that they do is invaluable to our respective industries and very much appreciated.

Thank You



Simon Fletcher
27th March 2018
NZMPTA President