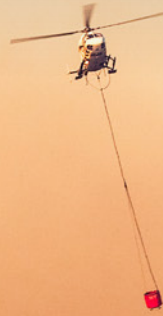


# Rural fires

Advice to help prevent and manage fires this summer



**FARM**  **STRONG**

How's your Wellbeing  
Bank Account?

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**Nuffield  
International  
Agribusiness  
Summit**

Registrations are  
open now

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**FMG Connect**

Your insurance online

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*Read this story on page 7*



# Note from Chris Black

## We'll see you at the stag sales

Insuring stags this sale season is now simpler and more affordable with FMG.

We've been supporting deer farmers for years, and this season you'll see more of our team at stag sales across the country offering peace of mind for your important purchases. Our market leading 12-month instant livestock policy provides cover for theft, death or infertility caused by accident, disease, or illness even when velvetting or during hard antler removal. We also support the cost of vet fees and carcass removal.

Stags up to \$50,000 can be covered by this policy. To find out more talk with our team on the day or call us on 0800 366 466.

\*This is a summary of our product and is subject to our specific product documentation and underwriting criteria. The relevant policy wording can be found on our website [www.fmg.co.nz](http://www.fmg.co.nz) or by calling us on 0800 366 466.

The insurance industry has been around at least 350 years, starting after the Great Fire of London in 1666. Early on only fire and marine insurance cover were available. Today, however, one can transfer a multitude of different types of risk via the insurance mechanism, including property, crop, liability, business interruption, life and health and more latterly even the impact of a cyberattack.



I'm conscious 2019 has presented all of us with plenty of challenges and I hope you manage to get a well-earned break at some point over the summer.



**All the best for the festive season.**

**Chris Black**  
Chief Executive, FMG

While much has changed, insurance is still no substitute for good planning, preparation and decision making. This applies not only to farming and growing and other commercial enterprise, but equally at a personal and family level as well. Recognising this, for over a decade now, FMG has focused as much on providing protection by way of insurance as we have on prevention activities via our advice-led insurance approach. (You'll see a number of articles along these lines in this edition of FMG Post).

This "prevention-first" approach is designed to help clients avoid losses and interruptions where at all possible, and minimise their impact if and when they do occur. If we can achieve this then of course that's good for everybody, and helps keep premiums affordable. At the same time, the value provided for that premium comprises both the breadth of insurance cover offered as well as the advice, service and support provided.

## Mutual Recognition

Thank you.

Based on client feedback to Consumer NZ we're delighted to have been awarded the Consumer NZ 2019 People's Choice Award for car, house and contents insurance. We jointly received this award with the Medical Assurance Society (MAS) and AA Insurance.

While it's humbling to receive awards of this nature, it helps reinforce to us that we're maintaining the high standard of sales and service you've grown to expect.

You can find out more on our website [www.fmg.co.nz](http://www.fmg.co.nz)





We've been insuring people in rural New Zealand for over 114 years. At the same time, we've been completely immersed in the rural community, getting to know the people who live and work in the country.

It's this experience that's helped us pull together several guides on lifestyle block living.

So whether you're thinking of buying a lifestyle block, are considering rearing livestock, planting crops or perhaps taking the next step and looking to make a business out of your block, our lifestyle guides will put you on the right track.

You can download your lifestyle guides online at [www.fmg.co.nz/lifestyleguides](http://www.fmg.co.nz/lifestyleguides)



## What is a personal risk plan and why would I need one?

While no one wants to think about the worst happening to them, not thinking about how your family, livelihood or business would cope or operate without you can be just as worrying.

A personal risk plan includes an assessment of how you or your family will manage if something happens to you. Insurance covers—such as life, income and medical protection are typically included in a plan.

Perhaps make one of your New Year's resolutions to think about whether you need a personal risk plan.

### Questions to ask yourself include:

- Who will look after me if I'm disabled?
- Will my business survive if I'm unable to work? Will I be able to meet my financial commitments?
- How will my family cope financially if I am no longer around?

Whether you live in town or the country, are employed or run your own business we have a team of advisers who can discuss how to help protect you and those closest to you.

To talk about protecting your family and business, call us on 0800 366 466.

Earlier this year, FMG published the Future of Farming & Growing in New Zealand and the Future of Insurance reports to support its strategic planning. Following interest from others within the sector, we've made our findings available more widely to contribute to on-going discussions.

With over 50% of rural New Zealand insured with us, these reports will support us to respond to, lead within and create a future where FMG and our members can succeed. We need to keep on top of what's changing to support strong and prosperous rural communities.

Both the Future of Farming & Growing and the Future of Insurance reports are available on our website [www.fmg.co.nz/futureof](http://www.fmg.co.nz/futureof)



# Sustainability is the key for multi-generational farming

In this article we talk to FMG clients, Simon and Trudy Hales, about their journey to implement sustainable farming practices.

## Fourth generation to farm their land

The Hales own Kereru Farms, a 970 hectare sheep and beef farm in Weber, 30km East of Dannevirke in the Manawatu-Wanganui region.

After working in the family business for a number of years, in June 2018, Simon bought his parents' share of the farm. This made Simon and Trudy the fourth generation to farm their land.

## Multi-generational farming

The Hales have two young children aged 4 and 1, so they are passionate about ensuring that they have a thriving business to pass on to them. "The environment, productivity and profitability all have to work together to ensure you can successfully farm across multiple generations. Sustainability is basically farming—if you're not being sustainable then you're not looking after the future of your farm."



## How they got started

The big change started in 2015 when they got in touch with Horizons Regional Council who came out and did a SLUI plan.

This plan looks at the land use of the whole farm. It identifies areas that need fencing and planting, along with land capabilities such as soil loss through erosion and topography. The plan identified a large area where they started their major works.

## Sustainable improvements

Over the last 4 years they've focused on making improvements to their farm to ensure it has a sustainable future for their children.

The Hales have the Akitio River running through their property, so in 2016 they fenced off the majority of the river to keep their stock out.

The SLUI plan also identified a lot of areas prone to erosion, so they have plans for a planting programme to mitigate the effect of soil loss through erosion. This involves planting around 250 poplar pole trees a year.

“This is our mark on the land and how we see our sustainable future”

They also propagated native seedlings for planting in riparian areas. This will allow these areas to revert to scrub to meet biodiversity needs.

Sediment traps have been put in paddocks to catch any run off and they've identified wetland that needed fencing off. These improvements and commitment to environmental sustainability have seen the



Simon Hales (left) and Trudy Hales (right)

Hales recognised in a number of awards. One they are particularly proud of is being announced the Horizons regional supreme winners at the Farm Environment Awards in March 2019.

## Challenges

The environment and climate will always be a challenge for farmers, so "we need to try and mitigate environmental issues and have to be forward-thinking in all that we do."

"Financially, it can be difficult to make the change, so it was great that the Council got behind us and gave us some funding."

Another challenge Simon has observed is the public perception of farming. "To be doing the right thing and acting in a responsible way is very important." He also feels it's important to share the good stories about what farmers are doing in this space and to "remind people that we're humans."

## Advice on getting started

Simon's advice for those wanting to make sustainable improvements is to get in touch with your local council. They can help you prepare a Farm Plan and help you work out what you can afford to do. They also provide support with getting grants to make improvements and can get experts onto your farm to provide free advice.

He also advises not to be afraid of change and in fact, to embrace change. "In order to be sustainable as a business you need to change with the times. You still need to stick to your values, but embrace the change that's happening."

# Farmstrong's Wellbeing Bank Account

One of Farmstrong's key ideas is that if people invest in their wellbeing when times are good, they'll have plenty to draw on when times are more challenging.

"I know from having grown up on a farm that farmers are great at looking after their stock and pasture but, sometimes, not so good at looking after themselves," says Farmstrong Ambassador Sam Whitelock.

Practical habits like the 'Five Ways to Wellbeing', if done regularly help you to keep life in perspective when the going gets tough.

- Staying connected with mates

- Keeping active

- Taking notice of and appreciating the small things in life

- Being curious and learning new things on or off the farm

- Giving back to the community and others

"On a personal level, life can get pretty tough out on the rugby field so regularly investing in my wellbeing is important. A good way to think about building resilience is to imagine it's a bank account. What you 'invest' in now, will benefit you later. You can make regular 'deposits' and build up your wellbeing bank account by learning a few simple habits."

**“Whether you're a rugby player or a farmer there are always going to be things that you can't control like the weather and prices. That's why investing in your wellbeing on a regular basis is so important.”**

Sam Whitelock,  
Farmstrong Ambassador



## Farmstrong at a glance

Into its fourth year, Farmstrong is a wellbeing programme that helps farmers to see themselves as the most important asset on the farm and supports people to lock in small wellbeing habits to remain emotionally as well as physically fit.

Every year Farmstrong does a national telephone survey of 450 farmers and growers.

The results of these are below:



**80%**  
awareness of Farmstrong and ambassador, Sam Whitelock



**20%**  
attribute some improvement in their wellbeing to Farmstrong



**10%**  
attribute a moderate or large improvement in their wellbeing to Farmstrong

More on this at  
[www.farmstrong.co.nz](http://www.farmstrong.co.nz)



## Nuffield International Agribusiness Summit

A fast paced one day event to inspire, provoke and challenge your thinking.

FMG is excited to support the Nuffield International Agribusiness Summit in Christchurch on 23 March, 2020. This event is open to everyone, including farmers, producers and the wider New Zealand and international agribusiness industry.

This one day, multi-sector industry forum will reflect the topical agribusiness challenges globally and in New Zealand with a solution based focus through case studies and learnings.

International Nuffield guests will join Nuffield and Kellogg alumni and industry delegates to hear a line-up of New Zealand and international speakers who are leaders in change and business solutions. Panellists will be discussing and sharing their learnings and introducing some exciting business models and agri-food solutions. With Investigative Journalist, Guyon Espiner facilitating the day, there will be lots of opportunity for discussion and debate. The day will finish with more networking opportunities over drinks and a dinner with a keynote speaker.

Registrations for the Summit are open now to everyone, with discounted prices for groups of five or more.

To register, or to view the Summit Programme go to [www.nuffield2020.com/agribusiness-summit](http://www.nuffield2020.com/agribusiness-summit)



# Cyberattacks increase— what you can do to keep safe

According to the National Computer Emergency Response Team (CERT), there were almost twice the number of cyberattacks between January and June this year compared to the same time last year. This cost businesses and individuals around \$8.2m in losses.

Given the rise in the number of cyberattacks, we've included some tips to help keep you and your business ahead of the hackers.

## Check your invoices

- Invoice fraud has risen dramatically in the past 12 months. This is when a criminal sends a fake invoice or changes the bank account details on a real invoice to a different account.
- Whenever paying an invoice for the first time, pick up the phone and double check the account number with the payee.
- For payees that you make payments to regularly, if the bank account has changed get in contact and double check.



## Use a strong password

- Avoid using the same password on multiple sites as criminals regularly steal entire password lists from websites and try to use them elsewhere.
- Consider using pass-phrases. Take a phrase and add numbers or special characters like *F4rmstrong!* and never disclose your password to anyone else.
- Consider using two-factor authentication (2FA) to strengthen login security.



## Keep your systems protected

- Use the updating tool in your software settings to ensure that it's current. This should keep you protected against most of the known vulnerabilities in your software, including phones.



- Keep your antivirus software up-to-date.
- Secure your equipment by adding a password and locking it or shutting it down when not in use.

## Look out for 'phishing' emails

- Watch out for unsolicited emails encouraging you to take action such as clicking on a link, especially if it's from an unknown sender. They may be trying to get you to click a link or open an attachment—leading to a virus or a hacker potentially taking control. This is known as 'phishing'.
- Hover your mouse over the link and read the address that pops up. Take care to check that the link goes where you expect it to.
- If an offer sounds too good to be true—it probably is. It's common for criminals to use items such as laptops, phones and iPads as bait to get you to click by offering them as prizes.



## Have a plan in place for loss of systems

You need to know your business can function without a system as it may take some time to recover from an attack.



- Make sure your data is backed-up regularly—ideally daily. You can use an external hard drive and/or cloud service.
- Perform test restores to ensure your back-ups actually work and know who to contact to help restore your systems and data.

Call us on 0800 366 466 to discuss how we can help insure you against the risks of cyberattacks.

**FMG** Connect

## Extending your online insurance service

FMG Connect gives you the ability to access and manage your insurance online—anytime and from any device.

While access to FMG Connect is currently via invite, this will change early next year. We'll be extending the invite to give all clients the opportunity to register to use this online insurance service.

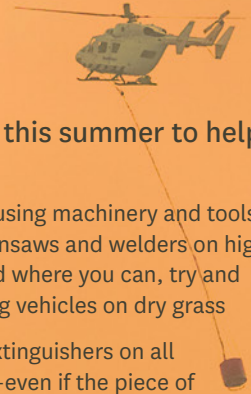
We compare creating FMG Connect to building a new house or shed—it's important to get the foundations and structure right before kitting it out.

With our foundations and structures in place, we're now extending what we offer online.

Added to what's already available, if you have multiple accounts or policies you can now see these. We've also introduced the ability for you to view all domestic vehicles, buildings and contents, as well as Watercrafts, Animals, Kiwifruit, Liability, Crops and Orchard cover types. The claims' history of these covers will also be displayed. Over the next few months we'll continue to add more covers and introduce the ability for you to submit vehicle related claims through FMG Connect.

For more information about FMG Connect, head to [www.fmg.co.nz/fmg-connect](http://www.fmg.co.nz/fmg-connect)

# Safe guarding our communities



With the support of FENZ, we've included some tips you and your staff can consider this summer to help prevent or put out a fire.

## Burn-offs

Although burn-offs for some are a legitimate land management tool they also come with serious consequences if they get out of control. In the last 5 years FMG has settled over \$2 million dollars in claims from out of control burn offs.

It's recommended that you:

- Check and apply for fire permits on Fire and Emergency New Zealand's (FENZ) website [www.checkitsalright.nz](http://www.checkitsalright.nz)
- Even if you've got a permit or you don't need one you still need to abide by smoke nuisance and pollution council bylaws
- Talk to your neighbours to let them know you're conducting a burn-off so that they don't ring the fire service (unless they have to) and they can move any stock away from potential smoke drift
- If a fire gets out of control call 111 immediately.

## Be prepared

Even if you are cautious, accidental or unforeseen events can still happen.

To improve your fire preparedness:

- Make sure your RAPID number is on display at the end of your drive and that it's easy to see from the road
- Have sufficient water supplies available with clear signage
- Put together and practice an escape plan. Don't forget to include family and employees in this.

## Machinery and equipment

The hot dry conditions of the summer months require an extra level of caution when using machinery and equipment.

To reduce the risk of starting a fire from your machinery and/or equipment:

- Stop, pop, and check for birds' nests in tractors each time you start the engine, as well as other farm vehicles including harvesters

- Reconsider using machinery and tools such as chainsaws and welders on high risk days and where you can, try and avoid parking vehicles on dry grass
- Install fire extinguishers on all machinery—even if the piece of machinery isn't valuable the damage it can cause if it catches alight could be major. Make sure they're serviced annually.

FENZ has many resources on their website [www.fireandemergency.nz](http://www.fireandemergency.nz) that provide rural fire risk advice.

## Are you aware of the ACC quad bike safety subsidy?

ACC is offering to help pay for new Crush Protection Devices (CPDs) for quad bikes. As an advice-led insurer it's an initiative we support and have provided more detail below.

Since the launch of the subsidy in June this year, sales of CPDs have grown 286% (compared with the same time period last year). The devices are strongly recommended by WorkSafe, but many farmers still haven't heard that ACC can help cover the cost.

Every year quad bikes are a major cause of death and serious injury in rural workplaces with many incidents associated with accidental rollovers. On average five people die each year, and there are over 1,000 ACC claims per year for work-related quad bike accidents, costing \$12 million.

### What exactly is a crush protection device?

A "crush protection device" is just that, if the quad bike were to accidentally roll over, the rider has a much lower chance

of being injured in a crush because of that extra space created by the CPD between the bike and the ground.

There are two types of CPD available that WorkSafe recommends: the LifeGuard and the Quadbar. They've been well tested and designed to withstand a quad rollover, providing greater safety to the rider, while having a limited effect on the performance of the vehicle itself. These are the two CPDs that ACC currently offers subsidies for.

### Who can get the subsidy?

All businesses are different and every farm has unique needs. This subsidy is available to the sub-sectors of the agriculture industry that have the highest rates of quad bike injury. If you're self-employed or own a small to medium business in one of the sub-sectors listed, you might be eligible for this subsidy.

- Sheep and beef cattle farming (CU code 1230)
- Sheep farming (CU code 1240)
- Beef cattle farming (CU code 1250)
- Dairy cattle farming (CU code 1300)
- Livestock farming (not elsewhere classified) (CU code 1590)
- Hunting and trapping (CU code 2200)

Our risk advice supports this initiative, so if you're thinking about getting a CPD to make your quad bike safer, **don't pay more for it than you have to.**

Go to [www.acc.govt.nz](http://www.acc.govt.nz) and follow the instructions on how to apply for this subsidy. You could get **\$180 reimbursed** for every CPD you buy (with a maximum of two CPD purchases per business).

\*A CU code is a classification unit used by ACC to classify businesses.

# The new Trusts Act 2019—make sure you're ready

We're seeing more and more clients use Trusts or acting as a trustee. It's really important that you know about recent changes to trust law in New Zealand.

The Trusts Act 2019 was passed on 30 July 2019 and replaces the Trustee Act 1956.

If you're a trust settlor or trustee you need to start administering your trust in line with the new law from 30 January, 2021. While this may seem awhile away, there may be a lot to work through so it's a good idea to start thinking about and discussing the changes with your professional adviser (e.g. lawyer, accountant) sooner rather than later.

## What's changing?

The Trusts Act 2019 imposes additional responsibilities on trustees and increases beneficiaries' rights and protections. Some of the changes include:

- Trust beneficiaries need to be informed they're a beneficiary, provided information about the trust and advised that they can request more information if they wish

- A requirement for at least one of the trustees to hold copies of core trust documents for the lifetime of the trust (for example: the trust deed and variations, records of trustee decisions, financial statements, details of trust assets and liabilities etc.)
- Changes to the rules on trustees' rights to limit their liability, be indemnified from trust property and delegate their powers and functions to others
- New options to resolve disputes between trustees, and trustees and beneficiaries, without having to go to court
- New provisions that cover how trustees can be appointed and removed, and how the terms of the trust can be modified.

While the law always imposed duties on trustees, the new Act goes one step

further, clearly spelling out what these are. This includes mandatory duties that cannot be avoided (such as knowing and following the terms of the trust, acting honestly and for the benefit of the beneficiaries) and default duties (such as those related to investments and dealing with conflicts of interest and the requirement to act unanimously) which can be modified or removed.

- Check in with your professional adviser (e.g. lawyer, accountant) about trust law changes.
- Make changes to your trust arrangements (as required).
- Notify beneficiaries about entitlements and provide information (as required).

*Disclaimer: Please note that this article is only general in nature and does not replace specific advice from your professional adviser about a particular trust arrangement or your particular rights or obligations.*

## Calendar

1 February

**FMG Young Farmer of the Year Northern Regional Final**

Paparoa

8 February

**FMG Young Farmer of the Year Waikato/Bay of Plenty Regional Final**

Pirongia

12–14 February

**Southern Field Days**

Waimumu

22 February

**FMG Young Farmer of the Year Taranaki/Manawatu Regional Final**

New Plymouth

22 February

**New Zealand Polo Open**

Clevedon

29 February

**FMG Young Farmer of the Year East Coast Regional Final**

Waipawa

4–7 March

**The Golden Shears**

Masterton

5–7 March

**Northern Field Days**

Dargaville

10–15 March

**Horse of the Year**

Hawke's Bay

13–14 March

**Wanaka A&P Show**

Wanaka

**FMG**  
Advice & Insurance

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www.fmg.co.nz

 FarmersMutualGroup