

The teacher-marked activity in each booklet is designed to be a progress test that will give you an indication of how your learning is progressing.

Revise the work in this booklet before you do this assessment.

10A

Read each extract and then answer the questions on each one.

1

### Fewer piggies go to market

'The number of pigs produced in New Zealand last year was the lowest ever recorded, but total tonnage increased marginally over the previous year,' says the annual report of the Pork Industry Board.

The decrease in production dated back to 1998–99, when an international oversupply of pork depressed prices and caused large numbers of producers to leave the industry. Those farmers who remained in the industry attempted to maximise returns by producing heavier pigs, resulting in the small increase in tonnage.

Competitive conditions in the marketplace and the low level of the New Zealand dollar resulted in a small decrease in the quantity of pork imported from other countries, although the volume is still significant at 28% of our local consumption.

The combination of these supply changes has meant a decrease in total pork consumption in New Zealand to 16.6 kg per capita for the 2001 year.

- a Explain how events in 1998 – 99 caused the current low numbers of pigs being produced.
- b Describe the change in pork consumption by New Zealand consumers, and identify one likely reason for the change.
- c What changes in the market place would be required in order for pig numbers to begin to increase again?

2

## Deer kill drops with schedules

The number of deer slaughtered in the first three months of 2002 fell 15% compared to the same period last year, according to a recent Game Industry Board market report.

Venison exports and prices hit record highs last year, as European consumers switched from traditional red meats after BSE and foot and mouth scares.

However, demand for venison in European markets is back to normal levels, while demand in the emerging US market has recovered following the September 11 terrorist attacks. These caused a dramatic change in Americans' daily lives – including their eating habits – with consumers showing a preference for home-based or work-based meals as opposed to eating out at restaurants for some time after the attacks. Indications are that 90% of traditional European beef consumers who switched to venison last year in the wake of the foot and mouth outbreak and ongoing concerns over BSE have reverted back to beef.

Consequently, schedule prices last week are down compared with the same time last year, and farmers are retaining stock.

Additionally, a steady improvement in velvet (the immature antler) prices this season, after a horror year in 2000/2001, has increased the numbers of stags retained by farmers.

- a Identify two reasons for the drop in numbers of deer slaughtered during the first three months of 2002.
- b What meat is seen as being in direct competition with New Zealand venison in the market place?
- c Identify one event that has affected the demand for New Zealand venison. Describe the change in demand and explain why the demand for NZ venison has changed.

## Assessment

3

### Growers Moving Towards Exports of Avocado Oil

Bay of Plenty based Avocado Oil NZ unveiled its 'The Grove Avocado Oil' at last year's Ellerslie Flower Show.

The Company is selling mainly through upmarket delicatessens and is about to export the first 'token amount' to London's top-notch Fortnum and Mason. At present, avocado oil is relatively unknown around the world.

With about 70% of New Zealand's avocado crop grown in the Bay of Plenty, and much of the remainder in Northland, the decision of where to locate the company took into account the costs involved in transporting the fruit as well as other factors. Plantings are also going ahead around Gisborne. With three-quarters of the trees yet to reach full production, the crop is expected to grow by up to 40 per cent a year for the next eight years, without including new plantings. This year's harvest of around 8,500 tonnes is forecast to have increased to 44,000 tonnes by 2010.

- a Explain why Avocado Oil NZ is based in the Bay of Plenty.
- b Describe the forecasted increase in avocado supply over the next decade.
- c Identify two problems this increase in supply is likely to present to the avocado industry.

