

# WEEKLY ECONOMIC REPORT:

## Farm Advisors NZ Ltd & AgSafe NZ Ltd

Property & Farm Management Consultants & Safety Consultants

Phone: 07-8563443; e-mail: [findlay@farmconsulting.co.nz](mailto:findlay@farmconsulting.co.nz) **We are located at Innovation Park in Hamilton.**

Website: [www.farmconsulting.co.nz](http://www.farmconsulting.co.nz) <http://agsafe.nz> Follow AgSafe on Facebook.

### 3 April 2021

Daily grass growth rates:	Range 32 to 40 kg DM/ha/day.
Average pasture cover:	1800 kg DM/ha.
10 cm soil temperature:	18.8°C
Rainfall (Hamilton)– Month to date:	170mm. March 10 year Av 94 mm. very wet this last week.
Stock prices report:	Prime steers \$2.217/kg
	Prime bulls \$2.27/kg
	Boner Cows \$1.493/kg
	Store lambs \$78.85
	Feeder Calves \$168.18
	Weaner bulls to 151 to 250 kg \$3.481/kg av \$730.73/head

The planning for the end of the traditional dairy season is underway, the autumn rains have started and temperatures are cooling. Pasture growth rates will increase in the short term and then start to decline as the sunshine hours decline. Don't forget to put your clocks back tomorrow morning!!!

#### Week commencing 5 April 2021

	This Week Nth Is	This Week Sth Is	Last Week Av	1 Year ago
18 kg YX Lamb (cents/kg)	\$6.55	\$6.30	\$6.37	\$6.67
21 kg Mutton (cents/kg)	\$5.27	\$4.95	\$5.11	\$4.45
P2 Steer (270 to 295 kg)	\$4.80	\$4.45	\$4.62	\$4.46
M Cow (160 to 195 kg)	\$3.35	\$3.15	\$3.25	\$3.20
Bull (270 to 295 kg)	\$4.80	\$4.40	\$4.60	\$4.54
Venison (60 kg AP Stag)	\$5.20	\$5.35	\$5.27	\$7.00
		Previous Week	1 year ago	2 yrs ago
Fine Crossbred Indicator price	\$2.65	\$2.65	\$ 2.87	\$ 4.69
Mid Micron Indicator price	\$9.58	\$9.58	\$8.025	\$9.21
Butter (NZ \$ per tonne)	\$ 8250	\$ 7850	\$ 7200	\$8125
Skim Milk Powder (SMP NZ \$ per tonne)	\$ 4925	\$ 4750	\$ 4550	\$3775
Whole Milk Powder (WMP NZ \$ per tonne)	\$ 5800	\$ 5850	\$ 4675	\$4900
Cheddar Cheese (NZ \$ per tonne)	\$ 6350	\$6140	\$ 7400	\$6250
Casein (lactose casein NZ \$ per tonne)	\$11750	\$11400	\$ 16600	\$9775
US currency	\$0.693	\$0.697	\$0.591	\$0.677
Euro	\$0.554	\$0.592	\$0.545	\$0.599
Australian dollar	\$0.920	\$0.916	\$0.975	\$0.948

**Finance:** The NZ dollar eased slightly again during the week as the markets become more aware that there is no economic management in NZ.

**Wool:** Wool prices are a disaster. There is no light at the end of the tunnel!!!

**Beef, Sheep & Venison schedules:** The meat schedules are mostly steady with some minor inter-company changes. There are some small increases in the lamb schedules in the North Island. Venison prices are still very low, recovery could be long and slow.

**Dairy Prices:** Dairy commodities are firm. WMP has eased slightly off the very high g/DT auction. Some buyers have purchased their 3<sup>rd</sup> quarter needs to cover the lower winter production from the Oceania area

DAP has increased \$99/tonne as from 1 April. Urea is up \$35/tonne and manufactured phosphate products are up \$14/tonne. There is an expectation that they will ease later in the year as shipping gets back to normal. The increase in the phosphate prices are mostly driven by the freight costs, however there is a world shortage of nitrogen.

**Quote:** *We don't develop courage by being happy every day. We develop it by surviving difficult times and challenging adversity.*

**Need Help.** If at any time you just want to talk about being isolated on your farm and to have a chat, just call me – no charges!!  
027-2872886. Rural Support Trust 0800-787-245. Lifeline 0800-543354. Crisis TXT – HELP (4357)

You can hear us live on the radio on Monday morning at 7.35 am with Brian Kelly on Country Sport Breakfast – Radio NZ Gold AM.

### **Jim's Weekly Rant:**

*On April Fools day the government lifted the minimum hourly rate to \$20/hour. It is all well and good for the government to lift the wages, but what about a lift in productivity? Other groups will now demand the "Living Wage" to be increased as well. NZ has, and remains, a low wage economy and it has been like that for many years. What the legislators and the employee unions fail to understand that wages can only be paid when businesses are making profits and profits rely on productivity. Too many employees just go to work to do a job for a set time in the day without understanding why they are doing it. They forget why they are doing the particular task and add nothing to the business. We can think about a supermarket or shop worker and tidy well presented staff that smile when they are serving you will encourage you to return, that's what productivity is about. The farm employee that is keen to send away the best quality milk with low SCC is sought after - that is what productivity is about. The tractor operator who understands that a well made silage stack will make better quality silage which in turn helps sustain the production on the farm – that is what productivity is about. I once stopped going to a particular service station for as they had an employee with large stud in the tongue and couldn't talk properly, that employee affected productivity!! As productivity increases so can the wages. NZ will never lift itself out from being a low-wage economy as long as people expect the government to keep underpinning an hourly rate that gives the workers enough money from working the minimum hours required with no interest in creating the best for the employer. There is a responsibility also on the employer to ensure the employee understands why they are doing the job and how the employee can affect the profitability of the business by just being more connected with what they are doing. If employers and employees decide to work together to lift the productivity in the country, wages will increase without government interference and businesses will improve their bottom-lines.*

**Contact AgSafe NZ Ltd - Phone 027-2872886. We can prepare your Work Safe manual and hazard management plan at a very competitive price. We can arrange drug tests and farm maps for your property.**

Calf rearing is important for your future production – Check out the Bell-Booth "**Queen of Calves**" rearing plan. There is research data from Massey University measuring the benefits. They are clearly documented and the long term benefits are more production per cow and longevity of the animals!! Research has shown calves can be weaned approximately 22 days earlier when Queen of Calves is used. The early weaning saves milk and allows more milk to be sold!

**QLabs for your comprehensive farm soil & nutrient test. Qlabs are based in Waipawa.**

**Soils:** Full Soil Analysis, Soil Respiration Test, Home Garden Soil Testing

**Feeds:** Full Feed Analysis, Ruminant Nitrogen Utilisation Efficiency (RNUE), ME (Metabolizable Energy), Feed Single Element, DM (Dry Matter), Nitrate (Feeds)

**Waters & Effluents:** In Depth Water Test, Water - Bacterial, Water - Extras, Dairy Effluent (TKN), Dairy Effluent (Totals). Check out their services at [www.qlabs.co.nz](http://www qlabs.co.nz) Phone 0800-857733

**AgDrive offers courses to upskill yourselves and your staff. It is important to ensure staff are upskilled and offered skill training courses - When there is an accident or incident that is investigated one important question that is always asked relates to the ongoing training offered and undertaken. AgDrive is an independent training establishment. For course details and training information contact Gareth 022-5300251 or Vinette 027-2844219.**

<i>Spore Counts</i>	<i>The counts are the highest in the area noted</i>	<i>Date:</i>	<b>1/4/2021</b>	
		<i>No's Sites Monitored</i>	<i>Highest count</i>	<i>Risk assessed</i>
<b>Northland</b>	<b>Kaitaia</b>			
	<b>Kaikohe / BOI</b>			
	<b>Whangarei</b>	<b>1</b>	<b>18</b>	<b>Low</b>
	<b>Dargaville / Ruawai</b>	<b>4</b>	<b>20</b>	<b>Low</b>
	<b>Mangawhai</b>			
	<b>Rodney</b>	<b>2</b>	<b>20</b>	<b>Low</b>
	<b>North Shore</b>			
<b>Bay of Plenty</b>	<b>Tauranga</b>	<b>4</b>	<b>15</b>	<b>Low</b>
	<b>Te Puke</b>			
	<b>Whakatane</b>	<b>4</b>	<b>110</b>	<b>Extreme</b>
	<b>Opotiki</b>			
<b>Auckland</b>	<b>Rotorua</b>	<b>8</b>	<b>50</b>	<b>Moderate</b>
	<b>Franklin</b>	<b>3</b>	<b>45</b>	<b>Moderate</b>
	<b>Manurewa</b>	<b>2</b>	<b>40</b>	<b>Moderate</b>
<b>North Waikato</b>	<b>Whitianga</b>	<b>6</b>	<b>40</b>	<b>Moderate</b>
	<b>Waihi</b>	<b>2</b>	<b>20</b>	<b>Low</b>
	<b>Hauraki Plains</b>	<b>2</b>	<b>5</b>	<b>Low</b>
	<b>Piako</b>	<b>3</b>	<b>50</b>	<b>Moderate</b>
	<b>Waikato</b>			
<b>Central Waikato</b>	<b>North Waikato</b>			
	<b>Hamilton</b>	<b>2</b>	<b>60</b>	<b>Moderate</b>
	<b>Morrinsville</b>	<b>4</b>	<b>400</b>	<b>Extreme</b>
	<b>Matamata</b>			
	<b>Raglan</b>			
	<b>Waipa</b>	<b>6</b>	<b>200</b>	<b>Extreme</b>
<b>South Waikato</b>	<b>Otorohanga</b>			
	<b>Waitomo</b>	<b>14</b>	<b>120</b>	<b>Extreme</b>
	<b>Taupo</b>	<b>2</b>	<b>20</b>	<b>Low</b>
	<b>South Waikato</b>	<b>6</b>	<b>130</b>	<b>Extreme</b>
<b>Taranaki</b>	<b>New Plymouth</b>			
	<b>Stratford</b>	<b>2</b>	<b>35</b>	<b>Moderate</b>
	<b>South Taranaki</b>	<b>6</b>	<b>10</b>	<b>Low</b>
	<b>Wanganui</b>			
<b>East Coast</b>	<b>Gisborne</b>	<b>2</b>	<b>150</b>	<b>Extreme</b>
	<b>Hawkes Bay</b>	<b>5</b>	<b>20</b>	<b>Low</b>
	<b>Wairoa</b>			
<b>Lower North</b>	<b>Rangitikei/Ruapehu</b>	<b>5</b>	<b>55</b>	<b>Moderate</b>
	<b>Manawatu</b>	<b>15</b>	<b>25</b>	<b>Low</b>
	<b>Horowhenua</b>			
	<b>Tararua</b>			
	<b>Wairarapa</b>			
<b>South Island</b>	<b>Tasman</b>			
	<b>Grey</b>	<b>4</b>	<b>25</b>	<b>Low</b>

**The action threshold is 20. <30 = Low, 30 to 60 = Moderate, 60 to 100 = High Plus 100 = Extreme**