

# WEEKLY ECONOMIC REPORT:

## Farm Advisors NZ Ltd & AgSafe NZ Ltd

Property & Farm Management Consultants & Safety Consultants

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Website: [www.farmconsulting.co.nz](http://www.farmconsulting.co.nz)

**30 May 2020**

Daily grass growth rates:	Range 40 to 55 kg DM/ha/day.
Average pasture cover:	2000 kg DM/ha.
10 cm soil temperature:	10.8°C some warm rain helped soil temperature warm.
Rainfall (Hamilton)– Month to date:	76 mm. May 10 year Av 117 mm.
Stock prices report:	Prime steers \$2.306/kg
	Prime bulls \$2.00
	Boner Cows \$1.607/kg
	Store lambs \$85.29
	Feeder Calves \$177.12
	Weaner bulls to 250 to 350 kg \$3.283/kg av \$868.53/head

If you are shifting this weekend as part of the big dairy farm move, stay safe. There was a lot of traffic on the road on Friday and it might be a busy weekend. Ensure all stock movement is properly logged and that you follow good hygiene processes that disinfect vehicles & plant shifting from one farm to another.

Week commencing 1 June 2020

	This Week Nth Is	This Week Sth Is	Last Week Av	1 Year ago
18 kg YX Lamb (cents/kg)	\$6.62	\$6.32	\$6.44	\$7.27
21 kg Mutton (cents/kg)	\$4.70	\$4.30	\$4.42	\$5.07
P2 Steer (270 to 295 kg)	\$4.80	\$4.55	\$4.61	\$5.12
M Cow (160 to 195 kg)	\$3.30	\$3.15	\$3.10	\$3.67
Bull (270 to 295 kg)	\$4.75	\$4.40	\$4.58	\$4.80
Venison (60 kg AP Stag)	\$5.00	\$5.00	\$5.25	\$9.02
		Previous Week	1 year ago	2 yrs ago
Fine Crossbred Indicator price	\$2.87	\$2.87	\$ 5.18	\$ 4.46
Mid Micron Indicator price	\$8.05	\$8.05	\$11.82	\$16.40
Butter (NZ \$ per tonne)	\$ 6310	\$ 6310	\$ 8400	\$8100
Skim Milk Powder (SMP NZ \$ per tonne)	\$ 4150	\$ 4150	\$ 3950	\$3050
Whole Milk Powder (WMP NZ \$ per tonne)	\$ 4385	\$ 4385	\$ 4850	\$4650
Cheddar Cheese (NZ \$ per tonne)	\$ 6450	\$ 6450	\$ 6350	\$6755
Casein ( lactose casein NZ \$ per tonne)	\$14450	\$14450	\$10800	\$7450
US currency	\$0.620	\$0.610	\$0.653	\$0.707
Euro	\$0.559	\$0.558	\$0.587	\$0.699
Australian dollar	\$0.934	\$0.930	\$0.944	\$0.926

**Finance:** The NZ dollar was moderately steady through the week but finished slightly stronger against the US dollar..

**Wool:** All wool prices are poor and there seems to be no way forward for the industry.

**Beef, Sheep & Venison schedules:** The beef and sheep meat schedules are up for the coming week however the venison prices are still very weak. Venison is mostly eaten in restaurants and eating out is limited around the world.

**Dairy Prices:** There is some concern about the likely dairy payout going into the new season. Synlait lowered its 2019/20 likely final payout by 20 cents during the week.

**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)

Winter feeding plans are planned to take the cow or ewe through to parturition in good condition and ensuring there is adequate feed for lactation and the pastures are in a condition where they can grow ahead of the increasing demand. Nitrogen use and fertiliser applications are all part of the management plan and it is now important to see how the governments Water Accord might affect you. We are a generally OK with the changes and the acknowledgement of the importance of agriculture, but the sting in the tail is the deferment of some of the decisions to later dates – Understand the plan and the rules!!!

**Quote:** *You were put on this Earth to achieve your greatest self, to live out your purpose, and to do it courageously.*

**Jim's Weekly Rant:**

*Employment on farms is something I have tried to stay calm about, but with the government seeming to believe that people can be retrained from another sector to become farmers is ludicrous. The rural sector needs people who have an affinity with the business, and that means they like hard work, animals, and can operating machines while understanding the science behind the soils, the pastures and the animals. I remember a number of years ago being involved with retraining classes at the Waikato Tech where unemployed youth were given an opportunity to learn the basics about farming. The courses were a failure as the interest in the farming business was not evident from the participants, they got WINZ benefits for attending the course. They struggled to understand the hours that might be worked, the all-weather conditions and sometimes you even got very dirty!!! The pre-entry courses for retraining are not realistic as you cannot just send someone off the street to farm and expect things to happen. We have enough trouble securing good staff that pass drug tests and will stay more than a few weeks. There is a minimum on farm cost to change staff is \$1,000, and that is if the farmer/employer does all the interviewing and reference check themselves – house cleaning, time on phone to check references, time to visit and meet potential employees, etc. It is not cheap and can be a frustrating exercise. An employment agency of farm consultant will cost extra and there are still no guarantees!! Then there is the potential for claims from an exiting employee and even frivolous claims can end up in front of a mediated meeting where the employee usually succeeds in obtaining the mandatory \$5,000 payment. “Job Match” via WINZ are annoying as dealing with bureaucracy is frustrating. A Job Match interview with a WINZ staff member who has no knowledge of what farming is about can be either fun or frustrating. When asked what skills a “Farm Assistant” need I started on a list – operating a cowshed, knowing which chemicals cleaned the plant, how to drive a tractor and operate a long list of other plant, and that was before I started on the livestock and how to care and look after them – I did remind them they must pass a drug test and have a valid and current drivers licence!!! Some of it was fun but mostly frustrating as they had no idea what a farm assistant does!!! But always give the WINZ staff a minimum experience required of at least 2 years. We need better training pre-employment, we need schools to relate the basic science and maths to practical uses including on farm activities. We need people to understand what being a farmer is about before trying to get them to move in to the industry.*

**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.**

Quad safe helmets – contact Pacific Helmets NZ. [www.pacifichelmets.co.nz/shop](http://www.pacifichelmets.co.nz/shop)

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 Utilization, 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

Check out our Facebook site **Citizens Reject Atmospheric Policies – CRAP**. We will keep you up-dated with access to properly researched and peer reviewed scientific papers from eminent astrophysicists and climate scientists. We are not interested in political papers from the hysterical masses!!!