

Mechanising

There is nothing wrong with mechanising, but there is plenty wrong with stocking up with expensive toys which don't grow, don't multiply, but do rust and deteriorate in value. The type of mechanisation to go for are things like well laid out fencing with auto gates, drinking water systems, fast milking systems, feed out wagons which can also be used to make silage and feed it on pasture, small ATV's and their equipment that are cheaper to buy and run than tractors and their equipment.

Don't think that a horse is always cheaper to own and operate than a farm bike or small ATV. If you already have the horse, have pasture going to waste (you shouldn't have), have time to catch and feed it and are short of cash, then the horse may win, but a reason for your financial predicament could be the time spent on horses - and off them, catching, tending and feeding them. Do a complete analysis of costs of both. Allow for everything, or trust those who have already shown that a horse costs more. Examples of times when ATV's help include -

- The dog can ride on one so be fresher and work better. A tired dog is never as good as a fresh one.
- A human helper or accident victim can be carried in emergencies.
- A sick animal of limited size can be carried.
- A small animal can be pulled out of a ditch.
- Fencing, bloat trochar and other useful tools can be carried at all times in a box on the front or rear.
- A bale or four of hay can be taken out at the same time, but don't overload it and kill yourself because it rolls over.
- A small trailer can be towed.

Some even lasso off an ATV, but don't you try especially if the animal is bigger than your ATV.

With a horse, there can be occasions when one has to go back for the tractor to achieve what the ATV could have done or allowed to be done without the wasted time of a return trip.

Accidents with horses are frequent, but with farm bikes and ATVs are more frequent in NZ and often more serious.

Don't over-capitalise, it can break you, if not this year, then certainly in the future. Alternatively if you have to get a machine then hire it out or use it for contracting.

There are exceptions. Every dairy farmer needs a milking machine, and most need a medium sized tractor and a silage/hay feedout wagon. A strong flail type forager can also be justified because it can cut and blow silage into a feedout wagon, cut and/or condition hay, and cut and remove weeds and even chop up scrub and brush. Flail type cost only a fraction of large forage harvesters and good ones last for decades with very little maintenance, even if they pick up electric fence standards and blow them out the back. US distributors have imported these wonderful forage harvesters from New Zealand, copied them and sold them as lacerators.

Photo # Weir's ATV with fencing gear.

This unit and its operator can move the front and back fences and six mobs, each of 40 cattle, in an hour. When they need weighing they walk through the scales in the paddock to the next break of pasture.

Sharing Equipment

People that primarily make they're living from agriculture populate some areas. When people that use a piece of equipment are in close proximity, it is easier to share a piece of equipment and it is easier to know folks you are comfortable with to share a piece of equipment. When sharing equipment consider that the group will have a 25 to 5% increase in parts usage

over a single user. Less if every one has a professional attention to detail and more if most of the group never and keep the barn cleaned up.

If the group is a closed group a 25% spare parts increase factor may work well.

If the group is an open group (county, NRCS, grazing group) then the 50% may be more realistic.

Sample guidelines on sharing equipment

1. Everyone splits the initial purchase price evenly.
2. Take 10% of the cost for a spare parts fund. Split this evenly.
3. Determine a unit of measure for use of the machine.
(acre/hour/milk, etc.)
4. Determine an expected life of the machine. Rate the life in a chosen unit of measure.
5. Keep a record of each user use.
6. Add up the total use of the equipment at the end of the year.
7. Determine the % of life of the machine that is used up.
8. Determine the % each user had of the year's use.
9. Determine a cost for each u/m based on the purchase price.
10. Over-users will pay in and under-users will be given a dividend.
11. Pro-rater spare parts in the same way.

Depreciation

Keep a spreadsheet record of equipment and have a depreciation column. Your accountant can give you the annual figures.