

## Newsletter 128

4 June 2015

### Avoid Losing Your Farm

In 1984 we bought a 107 hectare, one million dollar, bankrupt, maize growing, worst farm on Greenhill Road, a mile from Hamilton, with a quarter million dollar loan at 6% (\$15,000 pa interest). The ACT Political party policies increased interest rates to 24% (\$60,000 pa), so the rich got richer and the poor became poorer. The peat needed 6 tonnes of lime, boron, etc., per hectare, costing \$30,000.

We then borrowed in Switzerland at 5% (\$12,500 pa) and sold three one hectare sections to an agricultural contractor, a bee keeper and a spraying contractor, none of which would have been suitable in town, so were allowed to buy in the country. Selling one section may save losing your farm if your bank won't lend more.

As is still the case now, there was no money in growing maize because USA 50% subsidised maize has kept the NZ price down since 1950. Our weak governments then and now, should apply import duties at the subsidised rate to make their prices fair. USA did the same to Haiti and broke them, and has ruined other small countries over many years. Farmers, especially maize growers, should lobby for tariffs.

Over three years, we improved the farm to change it from the worst to the best on Greenhill Road, and then sold it. Investing in rental houses and flats returned 12% on their cost, and after they could be sold to earn 6%, we sold them and bought retail shops that then earned even more, with fewer problems. Read Investing.

Home hosting is another possible earner. Overseas visitors enjoy staying on farms. Anywhere within 80 km of Fieldays should fill between 11 and 15 June this year.

For a hundred years New Zealanders have lived off the farmers' backs, however townies running the country with no feeling for farmers, have during tough times, given manufacturing companies colossal export subsidies, while farmers exported much more and got nothing. Townies running councils allowed wealthy ones to buy thousands of lifestyle blocks which increase the price of adjacent land across the country. No other country I know of allows lifestyle blocks, which over the years in NZ have been decreased from twenty hectares down to one hectare.

If there is no other solution, sell your farm to avoid going bankrupt. There are buyers galore.

### Honey Flow Bee Hives

Some bee keepers have given up because of problems and costs. If you farm or just grow vegetables you need bees, so it could pay to have your own hive. Bees travel up to a mile from their hives, which makes claiming being organic difficult.

If you choose to keep bees for honey or for your clovers, orchard or garden, firstly read Bees in the Pastures chapter and then Google for Bees to learn about preventions to control bee pests and problems.

Some have criticised the new hive which one said the bees don't like, however most are happy with them. See [www.youtube.com/watch?v=0\\_pj4cz2VJM](http://www.youtube.com/watch?v=0_pj4cz2VJM)

Their new hives with plastic honeycombs are amazing and kind to bee keepers and bees that then don't have to be opened, disturbed, smoked, and brushed off their honeycombs.

Some people have been critical of this new system while others have made good suggestion for improvements, which are likely to be adopted. One critic said that one of the new hives had died after a year. Varroa can kill a bee colony in a year. There could be many other reasons for the death. Bees themselves live only from between a few months and a year, and there are parasites that strike hives, queen bees die, etc., sometimes from man made toxins.

I've added more to the Bees chapter.

### Low Dairy Profits

The five main **causes** of this are -

1. The stupid auction system where the buyer sets the price and other buyers around the world then refuse to pay other milk producers more than that set by the pathetic, badly run, Fonterra auction. It should

start bidding at the approximate equivalent of our cost of production, including 5% interest on the land value which makes it approximately \$6.50.

2. In New Zealand, some dairy farmers bought feed and produced more milk for no profit, in fact for losses galore. Grazinginfo saved some. NZ total milk production has increased by about 3% per annum for several years. They should have used the Dairy Cow Numbers for Max Profit spreadsheet, which would have shown them that selling cows would increase their profits and reduced their mortgage. Those who have used it, have done very well, especially in drought years. Most cows in NZ are underfed, so don't produce to their genetic ability. Read Milk Profit & Quality in Dairying.

3. Excess milk production. Fonterra helped China financially using NZ dairy farmers' money and advice which increased their milk production by 12% in 2013/4. Prior to then it had not increased much since 2001. Within a few years China could double milk production and supply all New Zealand's markets.

4. Fonterra manager Theo Spierings, told the NZ Herald that New Zealand owes it to the rest of the world to teach them all low cost milk production. Who pays him? Why does New Zealand need Fonterra??? The NZ Dairy Board was superb, which is why USA made it close using their wrong information, which our townie politicians believed, and accepted the USA rules for Fonterra 12 years ago.

5. Fonterra salaries should be tied to the milk payout which was \$14 in 1960. It allowed us to buy a new three bedroom Lockwood home without borrowing because we already had an 80% mortgage. We had 60 cows, the then average herd size. Over the next six years we increased cow numbers to 150 and bought 33 ha more and a new two bedroom Keith Hay house for a 29% sharemilker, all out of income without borrowing.

New Zealand can fix all the above if they want to, but can't stop the following.

Another reason for the low milk price is that China is doing all it can to reduce our price so that the new Chinese owned colossal factories being built around New Zealand will get cheap milk which under the USA imposed rules, Fonterra has to supply them, so when ready, instead of having to wait a year to get suppliers, can buy it within days.

**Milk production in millions of tonnes in 2006 & 2013 or 2014** for some from

<http://www.statista.com/statistics/268191/cow-milk-production-worldwide-top-producers/>

USA 82>91. Production has increased by 1% pa for ten years and cow numbers have increased from 9.1 m to 9.2 m from about 130,000 farms. I've changed thousands of USA and Canadian farmers from confinement to grazing. Their milk production decreased, but their profit increased.

India 40>60

China 32>36 in 2014 which was an increase of 10% in two years. Land in China is free, so now Fonterra has taught them how to, they could keep increasing rapidly.

Russia 31

Germany 28

Brazil 25>34

France 24>23

New Zealand 15>17. 11,000 dairy farms, less than 100 are organic, partly because of USA's deliberate blocking rules, caused by Fonterra dumping farmer subsidised below cost of production milk into USA and other countries, which makes them all dislike New Zealand.

UK 14>13

Seven other countries about 12 each, including Holland which Fonterra is now helping!

Australia 9

Canada 8

Austria has 50,000 dairy farms. 16% are organic.

## **Food & Health**

Processed meats often contain less than 50 per cent real meat - the rest is additives and fillers.

Breakfast cereals can have as much as 40 per cent sugar, so consumers can get 32 teaspoons of

sugar a day. Most sugarcane and sugar beet are sprayed with Roundup to dry them before harvest. We like Healtheries gluten free Honey Flakes. It has no linseed or sunflower seeds, both of which get damaged at harvest, so their fats start going rancid.

Lewis Road Creamery produces milks, cream and butter, all fully organic, with absolutely no heavy metals, which no other organic milk I've measured can claim. Lewis doesn't allow PKE feeding.

PKE has several problems. It has excessively high levels of manganese and copper and hazardous, mycotoxin-producing fungi and mycotoxins that can endanger the health of cows, and their milk. Cows getting more than two kg of PKE a day can suffer ill health. Cows in New Zealand and Australia have died after eating too much PKE, which is impossible to avoid if fed from bins, some in a paddock, where some gorge, and some eat none.

The manganese in PKE and so the milk has about 47 ppm of Mn. It should not exceed 4 ppm. It can cause Alzheimers and Parkinsons. Read Manganese in Minerals in Soils Pastures & Animals and in Human Health Minerals.

Copper is very high in PKE which has shown up in excess in cows' livers.

Milk from cows fed Chinese magnesium chloride had approximately 25 mg/kg (ppm) of mercury, 40 cadmium and 10 manganese and only 1 of iodine. Very few can measure gluten at below 20 ppm, but at that level it is toxic to some of us. I'm Celiac, which means highly affected by gluten. You should read the chapter on Gluten in Human Health, because it has really bad effects on 25% of New Zealanders. I muscle test all who come here for gluten and 25% have thanked me after they avoided it and became so much better.

Excess chloride in any form is very toxic. Salt is sodium chloride which is a safer form, but too much kills poultry and sheep that are very deficient in it, and then suddenly get and gorge on it.

### **Added value**

Lewis Road Creamery, near Whakatane, has improved their town supply milk which they are retailing through some supermarkets. Lewis get more for it and can't keep up with the demand. It sells out in some Hamilton supermarkets within hours of arriving. They are planning to supply the South Island.

The Lewis chocolate organic milk is delicious. It sells off the supermarket shelves within hours, showing what adding value can do. Their full cream milk is the only milk that I'm not allergic to, possibly because they remove the permeate (part lactose), and produce true organic milk. Some of Fonterra's organic milks contain heavy metals, so can't be organic. Their fancy milk container is polluted, so their milk must be. I've told them.

From 1958, I've asked NZ Dairy Co-op (I was a Gordonton NZCDC Factory committee person) and asked Frank Onion the NZ Dairy Board chairman, to add more value to our milk. In 1955 I worked on a farm supplying Tatua which had the highest payout, and still has, solely thanks to adding value. For years I've asked Fonterra to do the same, and to improve their milk quality. They have told me to get DairyNZ to organise it. What I'm suggesting needs the buyer of milk (Fonterra) to lay down rules to improve milk quality. DairyNZ can't do so.

### **Rules should be -**

1. Analyse ryegrass for the 15 essential elements. Hill Laboratories has a good record. A farmer wrote, "I have pulled another laboratory up on some of their results which were impossibly wrong."
2. Apply lime and fertilisers to get soil and pasture levels correct to eliminate Facial Eczema and reduce parasite drenching.
3. Feed no PKE.
4. Feed the nine deficient soluble minerals in Solmin through a dispenser which will improve animal health (Read Testimonials.) and milk quality by reducing mastitis by 90% and the somatic cell count.
5. Don't apply nitrogen, except onto new pastures once or twice until clovers are making it. Read GrazingInfo and you'll see that applying N to established pastures is an unnecessary drug that, once started, needs more, because one application of urea halves earthworms and clovers.
6. Don't overstock. It is costly, reduces profits, damages pastures and farms, and makes drought

effects much worse.

The government should bring in the Australian law that no consultant or adviser can receive commissions on sales. This would stop a lot of wrong and false advice going to farmers, who should ask all consultants or advisers like DairyNZ, if are rewarded by fertiliser or other manufacturers. I've been told that DairyNZ gets two million dollars a year, so is expected to promote fertilisers.

Solmin helps achieve a lot of the above and is to be made again. Meanwhile feed Liquimin with added magnesium sulphate, from now until late spring. Some are wisely mixing their own Solmin. We'll keep you informed.

### **Organics**

Some of the smaller European countries have a higher percentage of organic dairy farmers, but don't have the imposing USA rules. Also, their governments subsidise organic farmers, and their milk sales distributor markups are not as high as ours. New Zealand's markups were discussed last year, but Fonterra and Federated Farmers didn't do comparisons with others countries, so distributors here thrive by selling milk produced at less than the cost of production, at the same high prices.

Austria has 50,000 farms producing milk. 16% are organic. Belgium, organic milk production is increasing, but their farm size average is only about 50 cows while ours in 390. Their colder winters make organic farming much more difficult because of supplementary feed growing and buying.

The best soils and highest earthworm numbers per spade spit that I have ever seen were in Austria and Switzerland organic soils. In 2005, both countries were farming 11% of their land organically. Ours would not be even 0.1%, and decreasing under Fonterra's reducing pickup areas and reduced prices compared with non-organic.

Those farming the GrazingInfo way are close to organic, except for USA organic requirements of a few unjustifiable insignificant rules such as no CCA (copper, chrome, arsenic) posts, and not allowing feeding Solmin, which is the best, least toxic mineral mix, 100% safe, developed in 1987 and not changed since then. Up to 1,000 tonnes per annum is sold, with no problems, and doing a tremendous amount of good. Read some of the hundred Testimonials.

USA has ample hardwood posts and don't fence much, so use the CCA ban to keep our organic milk out. We rely on harmless CCA timber for many uses, provided it is handled correctly, like not in dwellings, unless painted.

Another is not allowing fertilising with Selcote Ultra at one kg per hectare once a year. The result of these restrictions is about 25% of our organic dairy farmers have given up organics expressing concern about the limitations of not being allowed to apply more lime which ryegrass analyses showed was needed, crazy regulations, etc. The lime restriction has been a problem for 20 years that I know of. One wonders if fertiliser sales commissions were a reason, like those given to agricultural consultants. Lime costs only \$25/tonne so there is no room for bribes half its cost given to \$400/tonne fertiliser sales.

### **From one organic farmer since 1990**

We dropped organics at the beginning of the 2014 season and haven't looked back. Our cows have never been so healthy or well fed with Solminix and milk production is up by 28%.

The politics and stupid rules enforced by USA made organics too hard. The Cell Count was a huge issue because we could not feed Solmin. This decreased ours and our mastitis from thirty cows (10%) to one. The difficulty of obtaining bought feed when short and it was very hard to keep tolerant staff, when it was so frustrating for them dealing with all these problems, and not allowed the tools to fix them. Antibiotics for difficult cases meant no milk from the cow for a year, which the Americans who made the restrictions, would take themselves when necessary. The cow would have to be slaughtered.

Lime application was restricted and Selcote Ultra not allowed, which is slow release so at 1 kg/ha can't do any harm. The one that organics allow increases selenium to well above the maximum allowed, then decreases to low, after a few months.

For years we fed homeopathic permitted minerals through dispensers, used copper sulphate for hoof health and zinc sulphate for Facial Eczema prevention. In 2014 we gave up organics and fed Solmin and cow health improved, mastitis dropped from 30 to one, and milk production increased by

28%.

Twenty six cows died of nitrate poisoning one morning in 2013, so organics as not all perfect.

We had our cows blood tested last week and all are in the normal range for the first time since 1990, I presume thanks to LimePlus, correct fertilising and Solmin.

End

GrazingInfo recommendations are now free and better than the very expensive organics ones, without their ridiculous requirements.

The above is so sad for me when I have spent so much time on the sensible better than organic GrazingInfo eBook for decades and not had one cent remuneration, and don't want any, just enough to pay its website costs, and all farmers and lifestylers reading it.

### **Nitrate Poisoning**

Now, until there is ample mature pasture, is the worst time, so farmers need to be prepared by reading Nitrates in Animal Health, after the weekend, because I'm updating it.

Briefly, some species of algae produce nitrates. Nitrite in water is ten times more toxic to animals than when in feeds, due to the rapid absorption through the rumen wall into the bloodstream. Polluted water containing effluent can contain nitrites. The amount in water can aggravate that in grasses, creating a double whammy, so keep water troughs clean.

If you have nitrate measuring equipment use it. If not, Google for Nitrate measuring equipment. There are lots. Buying one will be cheaper than a dead animal.

Don't let your animals get hungry, especially in the morning.

Cows don't like being milked in the early morning, so once a day milking can have another advantage by milking in the afternoon, after when, pastures and crops have less nitrates, but on cloudy days there is not much difference.

Watch the animals.

### **Do Something**

To finish, do something about the low milk price, even if only complaining to Fonterra and the media. Fonterra, doing the wrong things for ten years, told us that what they were doing would be rewarding. Now we need to know how and when.

Dairy farmers are on a knife edge. Since 1960 they have doubled milk production per cow and per hectare, and increased cow numbers per farm from 60 to 390. What more can they do?

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\*Queen's honour for services to the farming industry.

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