

Many New Zealand dairy farmers are doing well in Australia, but it is seldom easy.

In Tasmania 75% of dairy farms are now owned by New Zealanders, and I think it is about 20% in Victoria.

I've read and heard several times that Ozzie farmers look up to the Kiwi famers there.

Ex Atiamuri, New Zealand, dairy farmer Maurice Thomas sold to Crafars, and is now grazing 600 heifers at \$8/week on 600 hectares on two farms in SW Victoria, an hour from Portland, and four hours from Melbourne. It is like Canterbury, so dries out in summer in their hot winds, and has wet winters, but with little pugging. Maurice is growing clovers that locals could not grow because of not applying enough lime. His land value has increased from \$1,300 per hectare in 2001 to \$8,000.

Maurice told his Australian vet, "Get over to New Zealand and spend a few days with Vaughan Jones."

He did, and on his return emailed me, "Since getting back and telling farmers what you taught me, my feet haven't touched the ground. I'm so busy now."

Despite this, he didn't pay for his accommodation or my time. Three years of working with the Australian government debt collectors helping a dozen others, we got \$1,000, and he got jail.

Waikato sharemilkers Michelle & Brian Moore could not see their way to buying a dairy farm, so bought in Victoria and phoned me in 2008 and asked if I was the Vaughan Jones who improved their neighbour's Waikato farm.

He then emailed and joined GrazingInfo.

He asked me why some of his USA Holsteins put on weight and went dry. I replied that it could be shocks in the shed, and to contact Peter Dewes 07-849-4188 in Hamilton. He has been to Australia to fix shocks in sheds. I spoke with Peter and he thought it would be easy to fix, so phoned Brian and fixed it in minutes. He asked Brian the make of milking machine, and then said it was the milk pump that could not be fixed, but had to be replaced, which Brian did, and no more problems.

They subscribed \$500 to GrazingInfo to help keep it going for the long run, so I emailed and thanked them. Michelle replied -

Dear Vaughan and Auriel,

Thanks are really due to yourselves for being so selfless and generous with your knowledge and time. We have been members of your site since 2008 so \$500 is not much at all for what we have gained from your work.

We moved to Australia in 2002 after becoming so frustrated with the 50/50 sharemilking system in NZ. Our assets (the cows) were deteriorating in health, giving their all on farms that were over-indulged in urea and over-stocked, until we couldn't bear it any longer. There were arguments we were never going to win against farm owners. We sold up, hoping to be able to purchase in NZ but couldn't afford the ridiculous prices people were asking. Our consultant at the time mentioned having a look at Oz, and the rest is history.

We purchased 127 ha for \$820,000 as a going concern (WIWO here - walk in walk out) including 180 USA Holstein Friesian cows.

We borrowed \$420,000 from the bank, and had capital of \$450,000 to put in (\$230,000 of our own and the balance from Brian's parents).

The farm is rolling to steep, 75% tractorable.

The first few years were a major struggle, mainly with the cows.

Their average weight was 720 kg and on a steep farm they couldn't walk, and didn't need to as the previous owner was feeding 2.5 t/head of grain in the bail. They were very boney tucked up cows, and couldn't eat much grass. We suspect they would have suffered from stomach ulcers, although we didn't know this at the time. We did feed grain to them for a while (2 years), slowly phasing it out in the hope they would take up the shortfall with grass, but this didn't work, as all they did was eat less, and therefore produce less. The previous owner also had a 23% empty rate, and calved down from early June to December. We were in a lot of strife, and weren't making money out of the grain. We then had two years of drought (the worst on record for South Gippsland), and at the end of those first two years the payout bottomed out. Everyday with this herd we had to chase them to their paddock then chase them onto the grass. Once on the grass they ate, but we would even have to bring them up to the water trough, and they drank like they had forgotten how to drink. It was a nightmare. When we stopped the grain we had cows holding their milk, and they would be content in the shed chewing their cud. We culled many low producers for reasons we didn't know. (VJ - They were North American Holsteins that had not grazed for half a century. I've seen this many times in North America after getting farmers there to change from confinement to grazing. Some soon learned to use New Zealand semen, especially Jerseys, over their Holsteins.)

We had to borrow more money to buy replacement cows, and had deaths like we had never experienced before, empties coming out of our ears etc., etc. (VJ - USA is lower in boron than New Zealand. Its deficiency is a major cause of milk fever. In the South Island West Coast's 4 m of leaching rain, cows would not get up even after two bottles of Calcium borogluconate. After I got farmers to apply 20 kg per hectare of boron, now OrganiBor, milk fever decreased and cows got up after one bottle, and their bones didn't click from arthritis.)

So our debt climbed to \$720,000. We sourced NZ Genetic cows and started breeding our herd up. This was also a hit and miss process; we went through 580 cows to arrive at the 166 head we have today. Our current debt is \$920,000.

So here's the interesting thing. We started off with borrowings of \$420,000, which we struggled to service interest only. The payout is unchanged, the seasons have been kinder to us but only over the last three years, but today we are servicing a debt of \$920,000 at 7.5% interest and managing to pay off \$50,000pa (the debt includes our OD).

Vaughan, we knew about your teachings, but forgot about you. We couldn't think straight over those first 5 years, and struggled to function, and ended up just getting the bare minimum done as best we could, then we referred back to what our neighbour you helped had told us about you, and Brian phoned you (Not sure if you remember or not. I do.). From that day on we haven't looked back. We have a plan in place that is coming to fruition, and, whilst it might be happening slower than we would like, it is happening.

I have since acquired a medical administration position in town, which is helping with the financial situation, paying \$38,000 pa, with super on top of 10%. Brian pretty much runs the farm on his own now, and is doing a fantastic job. We would ideally like to sell this farm and buy a smaller farm to milk the 160 to 180, as the 127 hectares is a little big for one person. Failing that, we would like to put on a manager or sharemilker (Australian) and show him/ her a new sustainable way of farming.

Production has gone from 38,000 kg of milk solids to 63,000 consistently, and this is increasing with the improvement in pasture and in turn animal health. Our cost structure dropped from (excluding debt) 82% of our income to 42%. Our empty rate over last four years has been 7%, which will continue to improve with better genetics.

It's been tough here trying to source products or trying to get service when you need it with contractors. We have had a lot of flack from family and friends in NZ for making the move, and had the flack here for trying something different, and then being Kiwis, being told by neighbours to forget how you farm in NZ, it doesn't work here, such as strip grazing, fertilising regularly with minerals, etc. This will not shock you, but our neighbour only puts on lime every seven years, and when it happens it's only one tonne to the acre. We have become somewhat reclusive, not mixing at all with farmers here.

We would prefer to be farming in NZ, but it saddens us with the state of the farming scene over there and because of that we are slowly becoming more content with our move here. We are shocked by the number of silos going up all over NZ, the stock looking sick and skinny, so we don't go back much now, it just makes us mad.

Sadly also, we supply Fonterra Australia here. We were with Murray Goulburn co-op, which is what we believe in. However, because we farm with grass only, we calve in the spring, and MG pay the majority of their payout in the autumn and winter, with just a retainer in the spring, therefore we lose in excess of \$30,000. Also their grading system is set up in a way that hardly anyone gets premium milk throughout the year. If you get one grade you are docked for 10 days, after that if you get another grade you are docked a further 10 days. They don't offer help to fix the problem. (VJ - Solminix reduces the SCC, and lowers mastitis and grades, but is not available in Australia.)

Payouts: per kg/ms in Australian dollars

2004	\$3.54 net (Volume charge, collection charge, DFSV Fee, Dairy Australia Levy Fat, Dairy Australia Levy Protein, all deducted)
2005	\$3.91
2006	\$4.65
2007	\$3.93
2008	\$6.24
2009	\$5.06
2010	\$4.02
2011	\$4.99

I forgot to mention also that the herd we bought with the property had an average SCC of 560,000. Our current cell count average this year is 62,000 and the last 5 year average has been 65,000. Solminix almost halves it. (VJ Michelle and Brian, mix your own. We did for years. The formula is in Minerals. Say if I can help. It is actually not a cost, because of increased milk protein, production and reduced animal health costs.)

Our children didn't like it here because they were constantly abused at school for being Kiwi's. The boys were 11 and 13 when we arrived, and when they left school they both joined the NZ Army. Since then, though, they had a taste of NZ low wages, and have come back here, and the younger

son is working in the mines as a driller's offsider and our oldest son is working in a soap factory in Melbourne, and is trying to get into fire fighting as a career. We have a daughter, Samantha, who was 1 when we arrived, and doesn't know much different. The pupils here are more learning oriented and are not as anti education as are some young New Zealanders.

We now milk 225 cows, and still have a long way to go, but we have come a long way only just getting over the many hurdles, but we now have the resources to overcome any future hurdles.

So that's our story, with sincere thanks to you and Auriel. We would not be here without your help.

We would be happy to meet and show interested New Zealanders around.

We are at 255 Limonite Road, Mirboo North, Victoria 3871, Australia.

moore69@gmail.com (03) 566-482-51

Kindest Regards

Michelle & Brian Moore

Thank you so much Michelle for writing all that, and to both of you for succeeding and sharing it with us, and for agreeing to have it published.

Pasture silage or forage crops

It worries me that some farmers are now making large areas of expensive silage at 60 cents per kg of dry matter ensiled and fed, but not growing summer forage crops, which reduces the area of pasture silage now, and gives growing grazed feed at 30 cents per kg of DM when needed most.

With a \$6 payout there is no profit in feeding 60 cents per kg DM feed. A client reared a lot more calves which earned him much more profit than selling it.

The best summer crops are Pasja and Nutrifeed in warm areas and Pasja and Shirohie millet in cooler areas and just brassicas in Southland, where the winter need for a crop is greater than a summer one. See the spreadsheet called Costs of Pasture, Silage, Hay, Crops & Nitrogen. You can change the figures to match your costs.

After cropping chisel ploughing, the improved pasture and from growing Bealey NEA2 and new clovers like Kotare and Tahora II,, are very profitable bonuses.

Never buy Kopu I or II clovers because being bred from an annual clover, neither last more than three years. This is another 'establishment' disaster at the cost of farmers.

Vaughan Jones

GrazingInfo Ltd