Client newsletter January 2020

Wairere With 2020 hindsight



Dace Trupane, sheep manager for Ingleby's international farming company in Latvia, with Wairere Tufquy rams just purchased by Dion and Ali Kilmister at Wairere.

More than half the world's population is now middle class or better off, defined as having a scooter or other mobility, plus some spare income to save or spend on entertainment. The lifestyle options for those of us lucky to live in the rich world countries have never been so abundant. Let's enjoy the present, rather than be weighed down by the doom and gloom preached by the negative media in New Zealand. It has become fashionable to preach eating less meat "to save the planet". But even if all the 330 million people in the USA were to become vegans, that would reduce the manmade GHG emissions of that country by only 2.6%.

The Paris Accord will fail, in my opinion. Only a minority of countries are actively involved, perhaps just 30-35% of global GHG emissions, and all of those countries are well behind meeting interim targets. As for New Zealand wanting to be a world leader against climate change, I ask whether it's possible to be a leader if there are no followers? Our politicians have not revealed the double whammy cost to all taxpayers of paying carbon credit subsidies to rich landowners while missing out on export income from pastoral farming as more and more land is planted in pine trees..."Making New Zealand Poor Again". Link to NY Post article: https://nypost.com/2019/12/08/ reality-check-drive-for-rapid-net-zero-emissions-aguaranteed-loser/

Our 50shadesofgreen group is still working hard to educate politicians and the urban public. Perhaps we need a Common Sense party to vote for in the next "third past the post" election?

How good is it?

The 2011-2020 decade will be the best decade for sheep and beef farmers' profit per hectare since the 1970s. When Steve Wyn-Harris claimed in his Farmers Weekly article that "It has never been so good", you have to know that Steve is a relatively young farmer. There will be some still farming who will remember the stellar 1972-73 year, when farm returns were so good that New Zealand's GDP rose 10 percent! The NZ dollar was briefly buying \$US1.49...but eleven years later was buying less than US40 cents.

Average per hectare profit:

1960s \$221	
1970s \$243	
1980s \$136	
1990s \$105	
2000s \$133	
2010s \$194	

The average Economic Survey farm today is 30% bigger than in the early decades. Though this decade's average profit per hectare is 88% of the 1970s and 80% of the 1970s, that gap is made up by better scale. The caliber of farming expertise is much improved. It takes greater skill to grow 19kg lambs than to grow wool.

Credit: Beef and Lamb Economic Survey 1960 – 2020

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Celebrating success

Our Wairere team went to the field day at client Brian Coogan's farm in late November. There were 270 farmers there, to learn how Brian won the New Zealand Ewe Hogget Competition. Selling 91 percent of lambs POM at 19.7kg from 159% is a tribute to Brian's grazing management, with cattle held on crop in early spring to allow more room for lambing ewes and hoggets. The singles are weaned in December, and the twins in January. Brian is fastidious about animal health: the ewes get a combination bolus, and the twin lambs are drenched twice before weaning. Brian started using Wairere Romneys over his composite flock nine years ago. Performance had plateaued at 140% and 50% POM at 17.5kg. Lambing in 2018 was 163%, and the hoggets routinely lamb 90-100%.



Brian's ewe hoggets and lambs, 28 November.

Wairere clients have won the supreme award of the NZ Ewe Hogget Competition three times over the past seven years.

2013 Rob and Jean Forrester, North Canterbury, with Wairere Composites.

2018 Richard and Maryanne Power, North Canterbury, who started a revolution in North Canterbury in 1997, when they put a team of Wairere Romney rams over their Corridale flock.

2019 Brian and Anna Coogan, Taihape, with Wairere Romneys.

Survival is outstanding

"Our Southland farm is very exposed and cold, but we consistently achieve 150% STS. Farming Wairere Romneys prior to switching to Wairere Tufguy, we have seen continual improvement in our flock performance. The



Norman and Ian Hunter, Redan Valley, Wyndham.

demand for Wairere store and surplus stock is a huge asset. They command a premium and it's very easy to sell them. It's definitely the Wairere genetics that have lifted our performance. 149.8% lambing in 2019, in what was a very tough spring, exceeded our expectation, with more lambs POM than ever before."

Across the ditch

In October Pierre Syben took me to four Wairere clients west of Melbourne. Two of them are farming blocks recently recovered from Eucalyptus plantations, planted 20-25 years ago because of tax break incentives. In recent times two of those forestry companies have gone broke. Much of that land is being reconverted into pasture. One farming company has 3,600 hectares in nine blocks, spread over 80km. Richard Davies, originally from Wales, and his Australian wife are managing the transition. This year they ran 15,000 ewes and 5,000 ewe hoggets with just the two of them plus one permanent tractor driver/general. The 20,000 ewes and hoggets, a mix of Wairere Romney and Australian composite, lambed 154%, 30,800 lambs! The plan is to have 30,000 ewes and hoggets lambing in 2021, as more trees are converted. The conversion process has not stinted on inputs of lime and fertiliser, just check out



Richard Davis with a rich crop of Balansa clover, recovered from a Eucalypt plantation.

the photo of 30cm high Balansa clover.

Richard and his wife use contractors for the big jobs, including weaning 10,000 ewes at a time in three days. Contracting is also gathering momentum in the North Island for the Big Ds, dagging, docking, dipping, drenching/ vaccinating. Some dairy farmers in the Netherlands use robotic milking to allow them to run another business during the day. Farming is reduced to ensuring high quality feed for the herd, and checking animal health.

Richard also practises containment feeding during the summer dry, sacrificing one paddock per mob on silage so that the pasture on other paddocks is not hammered.

It should also be noted that Australian lamb exports were 258,000t in the latest year, an increase on the 245,000t last year, despite the ongoing drought and drop in sheep numbers. Australians are more aware of the fragility of food production in their dry continent, and much more supportive of their farmers.

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The world of energy

In December I was fortunate to tour a natural gas field in western Colorado, owned by an American friend. The USA has doubled oil output over the past six years, and is now a net exporter of energy, for the first time since 1949. Some states are "virtue signalling" re climate change, some are open for business. Texas is benefitting from the businesses leaving California, and the refusal to allow oil or gas pipelines to go to export harbours on the west coast. Houston is now the busiest port in the USA, and is getting richer from new pipelines filling tankers that have to sail through the Panama Canal to export to Asia.

Global coal use has increased 75% since 2000. But natural gas is so cheap now that some substitution is taking place. It was an eye opener for me to understand the complexity of the global energy industry, the processing and distribution networks which deliver various forms of fuel into our "petrol stations" for our convenience 24/7.

The world is not slowing down. Air travel has expanded tenfold since 1995. People are voting with their wings.

Farming as a scapegoat

Politicians of all parties are determined to make farming the whipping boy for urban voters. It's easier to blame animals than voters. This is despite the area farmed and ruminant numbers both shrinking since 1990. In fact, urban and lifestyle blocks now cover 6% of New Zealand, almost as much as dairying at 7%. You can read my Blame Game presentation to the Gisborne Show breakfast at this link: http://printcraft.co.nz/wairere.html

And now the regulators want to come after us for water quality and biodiversity. New Zealand is already recognised as being one of seven countries with "the cleanest water in the world." What is the prize for improving on that? Some catchment studies have shown that birds are the prime polluters. Fish and Game should be prosecuted for its detrimental effects on fresh water ecology.



- Do "greenies" understand the big picture? Big animals live in African rivers and there are 1279 species of freshwater fish, compared to 58 in New Zealand's barren rivers, where the water is too clean.
- Native fish in New Zealand thrive in unfenced pools in well developed farmland, where "piranha like" brown trout are not present, and more nutrients are in the water (PhD research paper).
- And Australian police have detained more than two hundred people who have deliberately lit fires... but global warming gets blamed.

Biodiversity has improved around New Zealand over the past thirty years, helped by marginal farm land being taken over by woody weeds, then regenerating bush... much of that land having been converted to pasture by 100% taxpayer subsidies forty years ago(around the world there is **afforestation**, not deforestation, despite all the clamour about the Amazon rain forest). DOC has used 1080 to control introduced pests over big areas of National and Forest Parks, allowing native birds to breed more successfully. The need for greater biodiversity is not justified as an attack on pastoral farmers, whose pastures now cover only 37% of New Zealand.

The early bird catches the worm

Drafting 45% of lambs POM at 17kg from 148% docked off Wairarapa hill country by early December is a big achievement. Stuart and Caroline Ross manage Birch Hill for Harry Baigent, with 6,100 ewes and 300 breeding cows on 1250 hectares. How do they do it? Birch Hill has both good and poor soils, with windmills on the top ridge taking advantage of "Haunui" (Maori noted the strong wind run). In 2018 Stuart changed from an autumn superphosphate program to application in late July, with the plane flying on a nitrogen compound fertiliser. The nitrogen boosted lamb growth rate in a spring which was described as "two weeks slower than normal". Drafting lambs early, with a high schedule and the first two lines of store lambs selling at \$4.30/kg, has amply justified both the change in timing and the increase in the fertiliser budget. Lambs have averaged \$127 to date, with 700 surplus ewe lambs for breeding or finishing still to sell.



An Australian visitor to Birch Hill, amazed at Stuart's production from second class hill country.

Stuart instigated an annual liming program in 2005, after an initial capital input of 2.5 tonnes per hectare. He also grazes out ewe hoggets from July to December, creating more space for ewes. His breeding program has been Wairere Tufguy(Texel/Romney) for the past twelve years. "I put the two tooths to a terminal. Last year I bought some BelTex/Suffolk rams. I drafted the progeny down to 31kg liveweight, and that mob killed out at 17.3kg, compounding the high yield that I get out of the Wairere Tufguy. This is a genuine "hill only" property in a dry area, so selling lambs early and a simple management system is the best way to handle the climate."

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Hill country is easier...

say Daniel and Tracey McIlwrick. "Tailing 160% in Southland in 2019 was unusual. It's thanks to our northeasterly facing hills on a rotten rock base, which are a big help to lamb survival, and easycare Waireres. I wish I didn't have the flats! My father had a flat farm on rich soils near Browns, but never lambed 160%, despite an intensive lambing beat.

I did everything wrong last summer, with too much grass and poor quality, but the Wairere Romneys still scanned 184% twin/single and the two tooths 171. The Raphno crop went to seed in August, and I had to set stock on low covers. But ewe deaths were next to none. The hoggets took a hit, dropping from tailing 95% last year to 75 this spring.

The continuing increase in lamb numbers has persuaded me to have an on farm lamb sale. The 2,500 Romney male lambs will be auctioned on January 8th. That will leave a better fit of lambs to finish on the property, because much of the hill country dries off in the summer.

Waireres are designed to be easycare. I can farm 3,700 ewes and 950 hoggets, plus some cattle, as a solo operation. leaving the sheep to look after themselves on the hill. The sheep do better on the hill and so do we!"



Daniel and Tracey McIlwrick at their first store lamb sale, 8 January 2020. The 2,500 male Romney lambs averaged \$117, and will make more room to grow out the remaining 4,100 ewe lambs, hogget lambs, and terminal sired lambs.

An inspirational story

Trevor and Jo Lucas were leasing a farm near Wellington when the farming downturn of the 1980s presented the opportunity to buy a 470ha rundown property east of Masterton.

They scrimped and saved to develop the land while raising a family of three. Production levels were gradually improved. Trevor and Jo developed the property by cultivating the tractor country, fencing off gullies and waterways, and extensive poplar planting across the property, winning the Greater Wellington Ballance Farm Environment Awards in 2005.

They were innovative: taking advantage of the dairying boom by buying high BW dry dairy cows and selling them back in calf; running an East Friesian/Romney flock for Wairere from 1998, and later the Wairere Earlylamb flock(1/4EF 1/4Poll Dorset 1/2Romney). Percentages up to 164 were achieved.

But amidst all this progress, tragedy struck. Trevor died of cancer at age 49. Jo continued farming, and purchased an additional 200ha of land, which complemented the farming

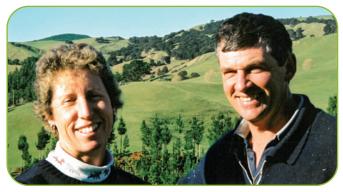
operation as it was predominantly flat. Thus providing an intensive fattening/hogget lambing option.

Tim, the youngest, finished at Lincoln and came home in 2010. An existing lease block next door gave good scale, which enabled Jo and Tim, at the end of the lease block's tenure, to purchase a 1200ha neighbouring estate. The estate was developed rapidly, with new roading, 30km of fencing, and capital fertiliser. These inputs, have combined with excellent management and a good season in 2019 to create a record lambing of 158% over the whole flock of 8,500 ewes. There were 2,000 hogget lambs to add to the 13,350 out of the ewes.

On purchasing the new block three years ago, a decision was made to go with Wairere and Waiiti Romney rams rather than the existing composite, as the pasture fertility was low.

It is early country, so the Lucas's have made the most of the lamb market before Christmas, with 5,500 lambs already sold at an average carcase weight of 16.5kg and value of around \$140.

This achievement, from leasing a small block to ownership of a large scale enterprise, owes a lot to Jo, who has been fully involved with the physical farming throughout this transition. Jo: "We've been comfortable through droughts and low price years. Being in a low rainfall area(average of 780mm per year) means that we sell early if the season goes against us, beating the rush. A mob of 2,500 old ewes, plus any ewes that scanned a single as a two tooth, go to a terminal sire, wih the old girls sold to the works in November/early December. We make supplements, and Tim has sown 130 hectares of brassica to add to some plantain paddocks. It is always dry here from January to March, and some years from November to June. The Angus cow herd and the dairy cows are for cleaning up and managing feed. We have 350 R1 weaner bulls that we sell early in a one year turnover. It's all about feed. We are short grass farmers, but the fertiliser bill is huge! My only disappointment is that Trevor didn't get to enjoy the legacy of the foundation which we laid, and Tim is continuing."



Jo and Trevor Lucas, spring 1999.

Wairere has a strong hand of Composites, Romneys, Dominators and Challengers (FE resilient) ram lambs for sale in late February/early March.

Telephone 0800 Wairere, or fill out a booking form on our website.

Here's to a good farming summer!

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