

18<sup>th</sup> March 2023

## Challenges of a Wet Summer

While the feed has never looked better over the last 3 months, the young stock has struggled to convert this into growth rates. Now quality is declining as a base of dead matter builds up in the bottom of the sward and the clover struggles for daylight. Egg counts are on the rise in sheep, and 18-month cattle are facing a Cooperia challenge.

**SxS vs Quads  
Bearing Mgmt.**

It certainly feels like autumn in the **Waikato** with cooler mornings. The rams are into their work and ewes have gone off slightly as they asked to eat deeper into the sward. Lamb yields are finally coming up, and with stock leaving the breeding properties the traders are slowly filling up.

The hill country farmers in **Gisborne** know the drill as they lean into their recovery work. The run of fine weather has seen them make good progress with access and reinstating damaged fences. Those dealing with the slash on flats and around rivers are facing more of an uphill challenge. Roading infrastructure is still limiting the ability to move stock in and out of the district and will do for some time.

**Hawkes Bay** is moving away from the emergency response into the rebuilding phase. Conversations are underway around a longer-term strategy. For most in the hill country, with a measured response it will likely take 12-24 months to get back to some sort of normality. The conversations and timelines are much more serious in horticultural areas. Some early reports are that it will be a decade before the land is restored to its previous state. Also of note, the initial MPI funding looks set to close on 20<sup>th</sup> March, those that are eligible and have yet to apply, need move smartly.

**Wanganui/Manawatu** is having a strong autumn, with surplus feed everywhere. After the slow spring, and the accumulation of feed really coming since after weaning, the quality is still good. Cows are being weaned early to get some grazing pressure in behind ewes. On the flats, tractors are in full swing getting grass in after summer crops.

**Wairarapa** has had a run of fine weather, and ewes are lifting nicely heading into tugging. There has been a flare-up of salmonella in places which is undoing some of this good work. With plenty of feed about, there is a level of comfort to take trade lambs deeper, however the bigger places are starting to make a move to make sure they get them all gone by the time the feed slows down. The Weaner Fair on Tuesday lived up to the hype with \$1100/hd the benchmark for any steer with weight and reputation.

The **carbon price tumbled to \$65/NZU** after Wednesday's quarterly ETS auction when the 4.475 million NZU on offer failed to clear. The lack of bids was put down to a drop in confidence and uncertainty in the carbon market following the government's decision not to follow the advice of the Climate Change Commission on ETS settings as well as the axing of a series of climate change policies. The unsold NZU will be rolled forward into June's auction.

The **prime lamb money is steady this week** with the meat companies yet to really try and flush lambs out to fill hooks. With the store money so strong in relation to schedules, those that would normally kill lighter (17kg) lambs have either chosen to cash in on the store money or take them through and value add (rather than doing a second trade). This has seen the lamb kill fall 10% in the North Island and will push the bottle neck deeper into the autumn.

AT A GLANCE	Mar-21	Mar-22	- 2 Weeks Ago	- 1 Weeks Ago	This Week	Latest change
2022 Store Lamb (30-32kgLW) (S Yards)	\$3.27	\$4.15	\$3.95	\$3.75	\$3.65	-\$0.10
Indicator PM Lamb (15-19kg)	\$6.55	\$8.30	\$7.15	\$7.25	\$7.25	\$0.00
Store Yearling Steer	\$2.75	\$3.17	\$3.45	\$3.60	\$3.55	-\$0.05
P2 Steer (295-320kg)	\$4.99	\$5.95	\$5.90	\$5.95	\$6.00	\$0.05
P2 Bull (295-320kg)	\$4.99	\$5.90	\$5.75	\$5.80	\$5.85	\$0.05
Local Trade Beef (220kg)	\$4.97	\$5.75	\$5.80	\$5.85	\$5.95	\$0.10
AP Stag (50-65kgCW)	\$5.20	\$7.95	\$8.85	\$8.85	\$8.85	\$0.00
Strong Wool Indicator	218	265	263	264	264	0
90-day Bill Rate	0.33%	1.52%	5.16%	5.22%	5.14%	-0.08%
US Bull Price 95c/lb US)	247	314	268	270	270	0
\$NZ/UK Exchange Rate	0.5159	0.5254	0.5170	0.5094	0.5144	\$0.005
\$NZ/\$US Exchange Rate	0.7173	0.6909	0.6213	0.6126	0.6272	\$0.015

# Quads vs Side-by-Sides

*Unfortunately, there is no perfect farm vehicle out there and as with everything in farming, running a vehicle in challenging environments comes at a cost.*

*These costs have skyrocketed lately and forced farmers to take a closer look at their vehicle fleet and the cost/benefit each vehicle has for their business.*

*The following article looks at the typical cost of a Side by Side (SxS) vs a Quad and the advantages and disadvantages of each machine.*



## Quads

### Purchase Price and Trade-in

- The purchase price of a quad can vary depending on the make and model of the vehicle. On average, a new quad can cost between \$15,000 and \$25,000 in New Zealand.
- As with side-by-sides, there are many additional features that can be added to a quad which can increase the cost significantly.
- We have used the fairly popular and basic new model 2023 Honda 520 PS M IRS as an example and have based the analysis as per the SxS with the machine traded after 2 years and 20,000km.
  - Purchase price of \$22,132
  - Estimated trade in price of \$10,000 (note this will vary based on the condition and kms).
- This equates to \$6,066 per year or 27% of the purchase price.

### Running Costs

- Here we have based the servicing on a 150hr interval.
- For the analysis we have assumed an average service cost over the 2 years of \$500. For this analysis we have added on an additional 20% to take into account extra repairs and maintenance required at the time of service.
- As per the previous AgLetter article on Quad Costs (27<sup>th</sup> August 2022) we have used a fuel consumption of 10.5L/km and then used the same price of \$2.50/l of 91 Octane.
- For the analysis, a new set of tyres has been costed at \$600.
- Insurance have been budgeted at 2% of the purchase price and an interest rate of 9% has been used.

## Side-by-Sides (SxS)

### Purchase Price and Trade-in

- When it comes to the purchase price of a side by side, it can vary depending on the make and model of the vehicle.
- On average, a new side-by-side can cost between \$20,000 and \$30,000 in New Zealand. However, there are many additional features that can be added to a side by side which can increase the cost significantly.
- We have used a basic new model 2023 Can-Am Defender HD9 as an example. For analysis we have assumed the machine is purchased new and traded in after 2 years at 20,000km.
  - Purchase price of \$29,000
  - Estimated trade in price of \$12,000 (note this will vary based on the condition and km).
- This equates to \$8,500 per year or 30% of the purchase price (in line with the depreciation schedule in end of year accounts.)

## Running Costs

- In medium to steep hill country with everyday use, maintenance is the most significant expense for a side-by-side.
- Maintenance costs can vary depending on the specific vehicle and the maintenance tasks required and the operator, terrain, and workload.
- We have based the servicing on a 200hr interval. Generally, in the first year, the services cost \$300-\$500. Once the machine clocks over 10-15,000km, this service cost can increase upwards of \$1200.
- For the analysis we have assumed an average service cost over the 2 years of \$850.
- With all the moving parts, invariably when going in for a service, something else needs attention. Speaking to farmers and reviewing invoices, for this analysis we have included another 30% over the standard service cost to cover this.
- Based on data collected from clients, average fuel consumption for a side-by-side is around 7.2 km per litre. It is important to note that this varies significantly based on the operator. Based on a fuel price of \$2.50/l for 91 Octane this comes to 35c/km.
- For the analysis, a new set of 14-inch tires has been budgeted at \$900. Insurance has been budgeted at 2% of the purchase price and an interest rate of 9% has been used.



## Analysis

SxS vs Quads (Annual Costs)				
	Quad		SxS	
	Total	Per Km	Total	Per Km
Kms/year	10000		10000	
Machine Hours	1000		1000	
Services/year	6.7		5.0	
Standard Servicing	\$3,333	\$0.33	\$4,250	\$0.43
Repair & Maintenance	\$667	\$0.07	\$1,275	\$0.13
Set tyres fitted	\$600	\$0.06	\$900	\$0.09
Oil & Minor parts (Farmer)	\$250	\$0.03	\$250	\$0.03
Fuel	\$2,381	\$0.24	\$3,472	\$0.35
Insurance	\$500	\$0.05	\$655	\$0.07
Depreciation	\$6,066	\$0.61	\$8,500	\$0.85
Interest	\$1,992	\$0.20	\$2,610	\$0.26
<b>Annual Cost (Incl DPN)</b>	<b>\$15,789</b>	<b>\$1.58</b>	<b>\$21,912</b>	<b>\$2.19</b>

## Commentary

- This analysis shows that per year, a SxS will cost on average \$6,124 or 61c/km more to own and operate than a quad. Costs for both machines quickly mount as the kms increase.
- These costs will vary significantly based on the operator and how well the machine is cared for.
- When considering which of these vehicles is right for you, it's important to first consider what is the safest option for you or your staff and what is the most practical option for what you are asking from these vehicles and the operators.
- Farmers are encouraged to continue to assess your vehicle fleet to make sure you have the right person for the right vehicle for the right job.

## SxS Advantages and Disadvantages

Advantages	Disdvantages
<p>Can be used for a wide range of tasks, from carting teams of dogs to a stack of posts and wire.</p> <p>No requirement to tow a trailer. Trailers are very noisy and easily rattle to pieces (maintenance cost), not to mention for those with dogs in trailers, their health must be considered also as the fumes, mud and loud noise from the rattling trailer and exhaust must impact hearing (common excuse for dogs that don't listen among shepherds!)</p> <p>Typically, comfortable and have more storage space than a quad, which can make them more practical for farming like carrying equipment and extra people/dogs.</p> <p>Safe transportation of passengers. Whether it's the family on the farm, a staff member catching a ride out to the back yards or the consultant that won't stop asking questions, there is no doubt that it is much safer to carry a passenger in a SxS than sitting on the side of a quad which is not fit for the task.</p>	<p>They are generally larger and heavier than quads, which can make them more difficult to maneuver in tight spaces or on narrow tracks (more likely to get stuck!).</p> <p>They have a higher center of gravity, which can make them more prone to tipping over.</p> <p>There is also less visibility around the vehicle which is very important.</p> <p>As shown above, SxS are more expensive to purchase and maintain than quads.</p>

## Quad Advantages and Disadvantages

Advantages	Disdvantages
<p>As shown in the analysis lower cost than SxS.</p> <p>Greater maneuverability. These vehicles are typically smaller and lighter than side-by-sides, which makes them more agile and easier to navigate in tight spaces and get through wetter/tricky areas.</p> <p>It is easy to see 360 degrees around the vehicle and clearer view of where you are driving and what dangers might lay ahead.</p> <p>Have the ability to dismount if the situation requires.</p>	<p>They are generally less comfortable than side-by-sides causing back pain for some people.</p> <p>These very much require 'active riding' where you need to be holding your weight in your legs and arms at times and need to lean in all directions to transfer weight.</p> <p>The storage space is very limited on these and when required to bring your dogs, wet weathers, lunch, a couple of drums of drench and the drench packs this can get pretty chocka.</p> <p>Quads are also generally less stable than side-by-sides, particularly at higher speeds.</p>

# BEARING MANAGEMENT

*With this much feed about and fences non-existent in places, there is a heightened risk around the potential for bearings this spring.*

*Below looks at the work completed by Richard Hilson back in early 2000 (still very relevant) and on-farm management strategies to consider.*



## Nutrition from Topping to Scanning

- Although the physiology isn't still fully understood, it was found that ewes that put on condition (laid down fat) from topping to scanning were more likely to have bearings than those that lost a small amount of condition over the same period.
- The work found that good condition ewes should lose 1-2kg of true body weight from topping to scanning (note this is excluding fluid and foetus).
- Any ewe that is light at topping should not follow this regime as this will have a negative effect on lamb birth weight, milk production and lamb survival. If possible, these lights should be identified and mated separately (mate on crop ideally).
- This manipulation of feeding from being fully opened up to restricted is easier said than done.
  - Up until the ewe conceives, she needs to be on a rising plane of nutrition – the 10-day golden rule of fully fed 10 days either side of ram joining.
  - In a growthy season like this, the risk of accidental luxury feeding after topping is increased.
  - Compounding this is that feed is just now starting to harden off and the ewes are really starting to pile on the weight – great for flushing, not so great for bearing risk.
  - Making matters even worse is the farms that have had their infrastructure and fences taken out, meaning stock are difficult, if not impossible, to contain.

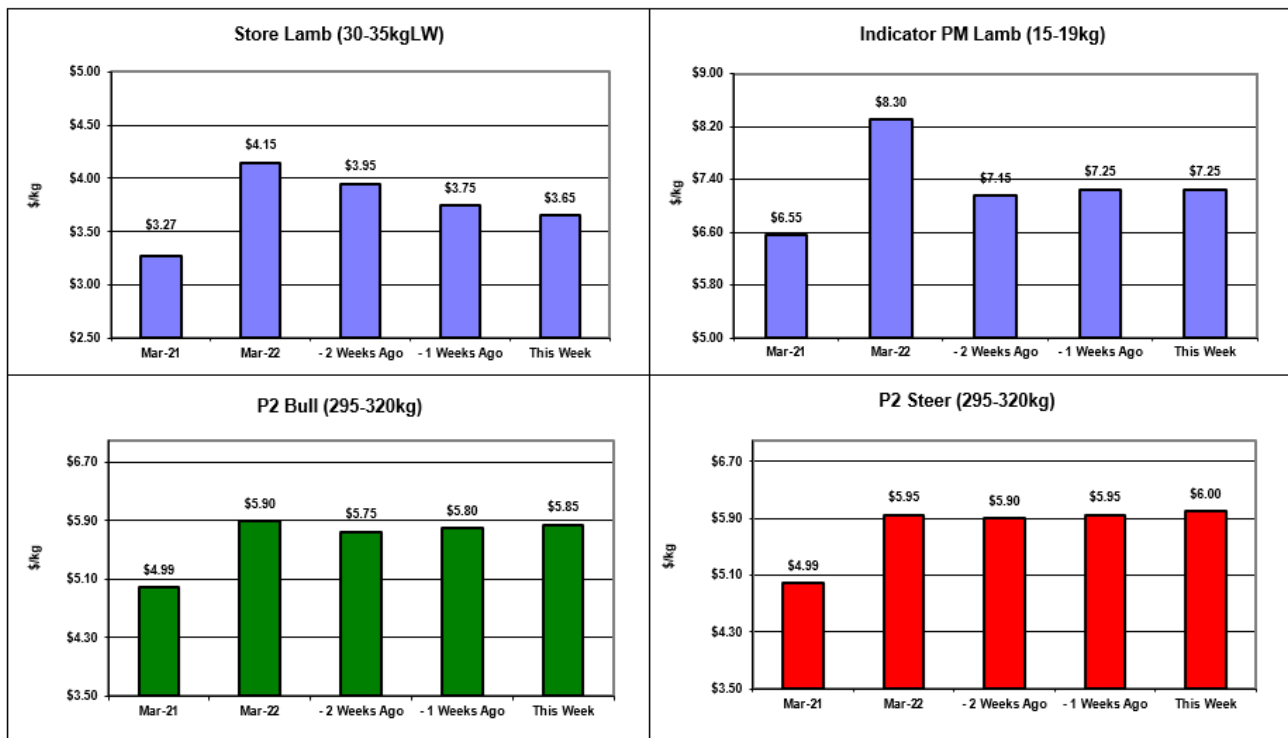
## Management Strategies

- After the first cycle (17 day) at least 80% of the ewes should be in lamb. From this point, look to create more grazing pressure by slowing the rotation down (e.g. move from 1-day shifts to 3 days).
- Watch grazing residuals carefully - the aim should be maintenance feeding or slightly below. To get to this level covers need to come back to less than 1200kg (can see sheep shit in the paddock) in a short space of time. With how much feed is out there, this will be the real challenge.
- Restricting intake is made much easier when the farm is well subdivided. Where possible aim for a stocking rate of 150-200su/ha in a paddock. For a 10ha paddock that is a mob of 1500-2000su. This allows for short, sharp grazing which will minimise prolonged periods of underfeeding and slow the forming of a tail-end.
- On easier country, get the wires up to increase the paddock stocking rate and hold ewes back.
- In hill country, consider introducing cattle to bolster the stocking rate if mating mobs can't be boxed up yet.
- Look at putting priority mobs in front to take some height out of the paddock and lower the pre-grazing pasture mass of the ewe mob following in behind.
- With this strategy, watch the feed quality carefully as this can drop rapidly as the mob in front preferentially graze out the high-quality components of the pasture. As a rule, the mob in front should be no bigger than 15% of the mob in behind.
- After mating, get up close and personal with your ewes to get the tail-end out of the mob as soon as possible. Having these out will give you the confidence to push the well-conditioned ewes that little bit harder.

When a bridge suddenly appears unexpectedly....



The awkward moment when you buy an electric car to help save the planet and then a tree kills it.



**OTHER PRICES**

SI Lamb Schedule	\$6.90	↑	SI P Beef Schedule	\$5.40	=
NI Local Trade Beef	\$5.95	↑	NI 220-245 kg M Cow	\$4.10	=
NI 220-245 kg P Cow	\$4.25	=	NI Venison 60 kg stag	\$8.85	=

## NOTICES

**Wairarapa Endurance & CTR Club Horse Ride** This Sunday 19<sup>th</sup> March 2023. Black Rock Woolshed at the end of Black Rock Road, Te Ore Ore, Masterton. Entries on the day. Contact Jenny Champion if you want to know more about it 027 939 7363.

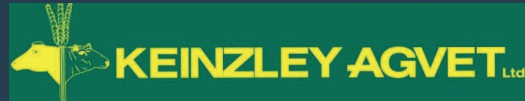
**Wainuioru School & Community Nursery** has mixed native plants available shortly for the coming season. Community run, not for profit with proceeds back to our local school. See <https://www.facebook.com/wainursery> or email [wainursery@gmail.com](mailto:wainursery@gmail.com) for more info.

## STORE STOCK PRICES

(Sale yard prices unless stated otherwise)

		SOUTHERN NORTH ISLAND		CANTERBURY		OTAGO/SOUTHLAND	
<b>Store Lambs (2022)</b>	40-46 kg						
	36-40 kg	\$3.50-\$3.60	=			\$3.30	↑
<b>All Males</b>	32-35 kg	\$3.60-\$3.70	=	\$3.30-\$3.40	↑	\$3.30-\$3.40	↑
	29-31 kg	\$3.60-\$3.70	↓	\$3.40-\$3.50	↑	\$3.50	↑
	26-27 kg	\$3.80	↓	\$3.60	↑	\$3.70	↑
	24-25 kg	\$4.00	=	\$4.00	=		
<b>Ewe Lambs</b>	34-42 kg						
	32-34 kg	\$3.40-\$3.50	↓			\$3.10	↑
	29-32 kg	\$3.40-\$3.50	↓			\$3.20	=
	26-29 kg	\$3.60	↓			\$3.40	↑
<b>Works Ewes</b>	25-28 kg	\$4.10	=	\$4.00	=	\$4.00	↑
<b>Top Trad R2 Steers</b>	420-480 kg	\$3.50-\$3.60	=	\$3.30	↑	\$3.10	=
<b>Med Trad R2 Steers</b>	380-420 kg	\$3.50-\$3.60	↓	\$3.30	↑	\$3.10	=
<b>Med DX R2 Steers</b>	380-420kg	\$3.00-\$3.10	=	\$3.00	=	\$3.00	=
<b>Top Trad Weaner Steers</b>	240-300 kg	\$4.30-\$4.40	↑			\$3.50	
<b>Med Trad Weaner Steers</b>	180-240 kg	\$4.40-\$4.50	↑			\$3.50-\$3.60	
<b>Exotic Weaner Steers</b>	220-280 kg	\$4.30	↑			\$3.50-\$3.70	
<b>Top Trad R2 Heifers</b>	390-430kg	\$3.00	↓	\$2.80	↑	\$2.90	↓
<b>Med Trad R2 Heifers</b>	330-390 kg	\$3.10	↓	\$2.90	↑	\$3.00	=
<b>DX R2 Heifers</b>	300-400 kg	\$2.90-\$3.00	↓	\$2.60	↑	\$2.70	↓
<b>Med Trad Weaner Heifers</b>	180-240 kg	\$3.70	↑			\$2.80-\$3.00	
<b>Exotic Weaner Heifers</b>	180-240 kg	\$3.80	↑			\$3.00-\$3.20	
<b>R2 Friesian Bull</b>	420-500 kg	\$3.25	=	\$3.20	↑		
	380-420 kg	\$3.30-\$3.40	=	\$3.30	↑		
<b>Friesian Bull Calves</b>	180-200 kg	\$750-\$820	↑	\$660-\$730	=	\$680-\$700	=
	150-180 kg	\$680-\$750	↑	\$620-\$660	=	\$600-\$640	↑

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# WAIRARAPA SHEEP & BEEF AWARDS 2023

## WINNERS FIELD DAY

Thursday 30<sup>th</sup> March 2023  
Tim and Binds White, Upperwood  
– 741 Matahiwi Road, R D 8, Masterton

The farm tour will start at 9.30am. Allow 10 minutes from Masterton.

Vehicles – Quads or side-by-sides with helmets compulsory

Lunch to be purchased at the venue: \$15 per person  
(Please bring cash – Fundraiser for Fernridge School)

4.30pm - Refreshments & BBQ

For further details phone BakerAg 06 370 6880

### COMPETITION SPONSORS

