



# MPO Newsletter / Nuusbrie

*Represents and empowers the producer*  
September 2011

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## **Complaints about SAMPRO information**

The MPO received complaints this week that information recently published by the office of SAMPRO was distributed to retailers who use the information to put downwards pressure on the prices of dairy products. The information is based on Stats SA's production price index for June 2011 which shows that milk producers did not share in general prices increases enjoyed by other farmers. According to this report the price of raw milk at farm level decreased by 7,3% from June 2010 to June 2011. Over the same period the producer prices of grains and oilseeds increased by 30% and 17% respectively while the price of live animals increased by 6,3%. The price of manufactured dairy products increased by 0,9% year on year to end of June 2011. Thus while milk processors paid 7,3% less for their major input, fresh milk, they succeeded in obtaining 0,9% more for the processed products. Farmers, on the other hand now pay 33,3% more for diesel fuel and fertiliser while the feed price increased by 125%. The sustainability of dairy farming is seriously threatened by the decrease in producer and increase in input prices. Mr Bertus de Jongh, MPO CEO said that the demand elasticity of milk is low and that South African consumers are paying low prices for dairy products in relation to the rest of the world and the nutritional benefits offered.

## **Milk producers reduce energy costs by using 'scrap oil'**

During recent farm visits by MPO representatives to farmers in the Northern region, it was discovered that a number of milk producers are making use of an alternative energy option for water heating purposes by using burners that run on used petroleum based oil. According to Mr Wayne Swart, Jersey farmer in North West, this technology not only led to significant cost savings on his farm, but also disposes of old workshop or 'scrap' oil from, among others, tractors. Furthermore, the technology is environmentally friendly, as the burner does not emit smoke.

## **School milk programme at Agri Mega Week**

The MPO Western Cape has once again organised a school milk programme aimed at learners from Grade 1 to 7 during the Agri Mega Week, which takes place in Bredasdorp from

14 to 16 September 2011. The programme includes presentations on the nutritional value of milk and the distribution of educational colouring books, as well as dairy products sponsored by various processors in the region. A new element has been added to the programme this year, namely to promote the image of the agricultural sector as a whole and to encourage learners and other attendees to consider one of the many options available within the sector as a career choice. Ms Maryna Lehmann-Maritz, lecturer at the School for Natural Resource Management of the Nelson Mandela Metropolitan University, will provide advice on the exciting opportunities that exist within the agricultural sector.

#### **Milk distributed to disabled learners**

MPO North joined in the celebration of casual day on Friday, 2 September 2011 by arranging a visit to the Pretoria School for Cerebral Palsied, Physically and Learning Disabled Learners. Nkunzi Milkyway Dairies in Gauteng sponsored 400 bottles of milk containing 500ml each, which were distributed to the learners by Mr Ronald Rapholo. Ms Alta van Zyl, MPO North regional co-ordinator, said the event was a huge success and appreciated and enjoyed by all.

#### **Demand for leasing of cows increases**

The MPO continues to receive enquiries about the availability of cows for leasing purposes. Producers who have cows available for leasing or who are interested in leasing cows are requested to contact Philip at 012 843 5600 or 082 462 1712 or send an e-mail to [philip@mpo.co.za](mailto:philip@mpo.co.za). The MPO will gladly act as mediator between parties in this regard.

#### **Successful IDT workshops held in KZN**

Three information days on the IDT's new holistic extension services were held in Underberg, Creighton and Nottingham Road, KwaZulu-Natal on 6, 7 and 8 September respectively. The workshops were well attended and the new services well received by milk producers. Dr Jan du Preez, managing director of the IDT, gave an overview of the benefits of making use of the holistic extension and milk recording services. Mr Theuns Duvenhage, techno-economist, highlighted the importance of financial evaluation, strategic planning and business plans in managing profitable and sustainable dairy farming businesses. Dr Faffa Malan gave tips and advice on the management of animal health issues that impact on the profitability of dairy farming.

#### **Samilco's view on Parmalat price increases**

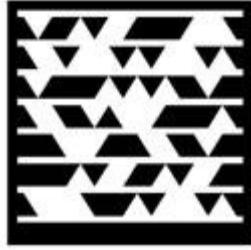
On Tuesday, Ms Lise Roberts of RSG conducted an interview with Mr André van Heerden, CEO of Samilco, regarding the recently announced producer price increases by Parmalat. Use the tag below to **listen** to this insightful interview.

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### **Dairy builds muscle and reduces belly fat**

In a study conducted by scientists at the McMaster University, Canada, it was found that the consumption of dairy products in conjunction with dieting and daily exercise, led to muscle gain and weight loss by women. The scientists compared three groups of 90 overweight and obese, but otherwise healthy women, who exercised seven days per week over a period of four months. The different groups' diets consisted of high protein, high dairy, adequate protein, medium dairy and adequate protein, low dairy intake respectively. At the conclusion of the study it was found that the high protein, high dairy group gained nearly 1,5kg more muscle than the low dairy group and also lost twice as much belly fat than the low dairy group. The study's lead author, Andrea Josse, said: "One hundred per cent of the weight loss in the higher protein, high dairy group was fat - and the participants gained muscle mass, which is a major change in body composition." To read more <[click here](#)>.

### **Doubts about future prospects of Australian dairy exports**

According to Daireporter.com, a prediction was made in Rabobank's report *Australian Dairy – Stimulating the appetite for growth* that Australian dairy production levels could not meet the global demand for dairy products. Michael Harvey, senior Rabobank analyst, said: "Production disruptions (floods, droughts) have impacted the sector over the past decade; also a slow rebuild, because farmers are more heavily geared and less inclined for capital investment." Australian milk production of 9,1 billion litres in 2010/2011 resulted in a milk pool that is significantly lower than the record level of 11,3 billion litres produced in 2000/2001. However, production levels are expected to grow by 2% in 2011/2012, leading to milk being available for export. According to Mr Harvey, the Australian dairy sector would have to overcome a number of serious challenges to maintain a positive outlook over the next number of years. <[Click here](#)> to read more.

### **Treat fresh cows for better production**

If you are interested in advice on how to take the best possible care of transition cows, turn to page 75 of the September edition of *The Dairy Mail* for an informative

article on this topic.

### September declared as rabies month

A press release issued by the Department of Agriculture, Forestry and Fisheries (DAFF) on 7 September 2011 states that in view of 28 September 2011 being declared World Rabies Day, DAFF decided to declare September 2011 as rabies month in South Africa. This follows the increased outbreaks of rabies in densely populated areas of South Africa. DAFF aims to raise awareness about the impact of human and animal rabies and the relative ease of its prevention. To read the press release <[click here](#)>.

### Organiser of Agri Mega Week's daughter dies tragically

Five year old Margarete Uys, daughter of Cobus and Heidi Uys, died tragically in a freak accident on their farm Patryskraal in the Bredasdorp district this week. Mr Uys is one of the organisers of the Agri Mega Week, which kicks off on Wednesday, 14 September. The MPO extends its deepest sympathy to Mr and Mrs Uys and their family and friends.

### R1 000 to be won in bumper sticker competition

A new winner of the MPO bumper sticker competition was announced this week: a person driving a vehicle with number plate **CAW 18158**. Congratulations on winning the prize of R1 000! Anybody spotted driving with the MPO's '*Drink milk*' sticker on a vehicle stands a chance to win the cash prize of R500. Winners are announced every second Tuesday on RSG Landbou (12:00 on 104fm), between 12:30 and 12:45. If the prize is not claimed, it rolls over to the next draw.

#### Important dates

- **AMT Agri Outlook Conference and Exhibition 2011:** 13 and 14 September, CSIR International Convention Centre, Pretoria. If you are interested in attending, please contact Minda Bornman on 012 348 8344 or 082 575 4282, or send an e-mail to [minda@amtrends.co.za](mailto:minda@amtrends.co.za). For programme details and a registration form, <[click here](#)>.

- **Agri Mega Week:** 14 to 16 September 2011, Bredasdorp. For more information <[click here](#)>.

- **Eskom workshops on energy efficiency and funding options:** 13 to 27 September at various venues in the Northern region. For more information, send an e-mail to [mareey@eskom.co.za](mailto:mareey@eskom.co.za) and for full programme details, please <[click here](#)>.

- **MPO AGM, KZN AGM, MPO national congress and gala dinner:** 21 September at the Fern Hill Hotel in

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