



MELKPRODUSENTE-ORGANISASIE  
MILK PRODUCERS' ORGANISATION

# MILK BULLETIN

In partnership with  
**the dairymail**  
Publication for the dairy industry

*Represents and empowers the producer*

**10 March 2017**

## **Agricultural sector on path to recovery after being hit by drought, volatile rand**

Following the release, on 7 March 2017, of the GDP figures for the fourth quarter of 2016, Senior Agricultural Economist at Absa, Wessel Lemmer, commented as follows on agriculture's performance and contribution.

"Agriculture contracted by 0,1%, the eighth consecutive quarter of decline, according to the latest Statistics SA GDP data for fourth quarter of 2016 released today. The contraction can be largely be attributed to the drought in the 2015/16 production season for summer grain and oilseed crops, a stronger rand and relatively low commodity prices globally. However, the recent recovery of rainfall and increases in the production levels of grain and oilseed commodities are expected to result in a significant recovery in the contribution of agriculture to overall GDP growth in 2017.

We expect to see a positive change going forward, especially in the second and third quarters of 2017. If the rand continues to maintain its current levels of strength or improves further, we may also experience a limited increase or even a slight decline in agricultural production costs. This should benefit the profitability of the sector quite considerably.

The agricultural sector is export driven, making South Africa a net exporter of agricultural commodities and products. The sector thus makes a valuable contribution to South Africa's economy. "

## **Key role players in agriculture must pull together to drive growth and development**

Agriculture can contribute tremendously to growth and development in South Africa but policymakers and key role players must "pull together" to improve access for new entrants, former Finance Minister Nhlanhla Nene told a Standard Bank Agribusiness event last Wednesday.

"We need a more holistic approach that doesn't just look at agriculture but also at rural development. Policies - whether sectoral or broad - should not put obstacles in the way of driving business in rural areas, which is an environment conducive to diversification", he said.

High levels of concentration in the value chain and access to infrastructure are among key challenges facing the sector, according to the National Development Plan (NDP). Finance is also seen as a critical challenge for new and black-owned businesses.

"Much needs to be done in terms of implementing existing policies if agriculture is to play the role the NDP envisions for it", said Nene. To read more, click [HERE](#).

## **Step up your game!**

MPO Western Cape chairman Philip Blanckenberg invites milk producers to attend the MPO Western Cape Farmers' Days that will be held in Swellendam, George and Durbanville from 14 to 16 March 2017. The aim of the events is to assist dairy farmers in thinking out of the box, establishing whether the balance between fixed and variable costs is right and understanding statistical data. Speakers for the day will include Aidan Bomford from Intelact and Dr Chris van Dijk, MPO CEO. Dairy farmers who attend the events stand a chance to win fully paid attendance of the South African Large Herds Conference, which will be held in June this year. Join the MPO Western Cape at one of the Farmers' Days below and equip yourself with valuable management tools.

Date	Place	Time	Venue
Tuesday, 14 March	Swellendam	14:30	Chris-Elle
Wednesday, 15 March	George	14:30	Down to Earth
Thursday, 16 March	Durbanville	14:30	Stone Shed

View the programme at [www.mpo.co.za/images/downloads/Wes-Kaap Boeredae 2017.pdf](http://www.mpo.co.za/images/downloads/Wes-Kaap_Boeredae_2017.pdf). For more information contact Chanelle Steenekamp at 076 774 1284 or send an email to [chanelle@mpo.co.za](mailto:chanelle@mpo.co.za).

### Imports higher than January 2016

In January 2017 6 852 tonnes of dairy product were imported, double the quantity imported in January 2016. Main imports occurred in the UHT and milk powder categories. Exports were at 15 370 tonnes, marginally more than in January 2016. Higher world prices may limit imports and encourage exports in the coming months.

### International market

#### The big question

Farmers strive to get the best possible milk production out of their herd to better manage profit margins. This means one has to invest in the cow right from the start, namely the selection process. But the question could be asked: Is bigger always better? Maybe you've heard: "The larger the calf, the larger the profit." It may seem the more milk a cow produces, the bigger her calf, leading to a larger profit. However, whether this is true depends on several factors. "Selecting for milk must match the vision you have for your herd", adds Carl Dahlen, a beef cattle specialist at North Dakota State University. "The breeding selections we make today reach far into the future." To read more, click [HERE](#).

#### Extended milking periods might be good

Research has a way of helping us gain a new perspective on how we can farm better. When it comes to research, no farming principle is untouchable. For instance, the calving period of the dairy cow. On average, a Danish dairy cow calves once a year. However, a recent study at Aarhus University suggests fewer calving and extended milking periods may be more advantageous. The published research shows that extending a cow's milking period might result in various environmental and livestock management advantages. To read more, click [HERE](#).

### Management

#### How to master time management in the dairy

As in any business, time on the farm is of the essence. You are probably tuned into other major time-critical activities, such as harvesting crops or breeding livestock. To read more, click [HERE](#).

## How to handle an employee with a bad attitude

Unfortunately, even when dairy managers try to hire the best team, there is still the probability they will end up with a difficult employee or two. For useful advice on how to deal with this situation, click [HERE](#).

## How to give new employees a successful start

Any good dairy operator knows what it means to get calves "off to a fast start." Why shouldn't new employees on a dairy be afforded that same fast start? To read more, click [HERE](#).

## Training

### Schedule your dairy farm training now

Helene Pheiffer, manager of training at the MPO, urges milk producers to schedule their dairy farm training as soon as possible. The Institute for Dairy Technology is currently scheduling its training programmes for 2017. Courses are aimed at farmworkers on a dairy farm and supervisors. Click [HERE](#) for details of the training programmes offered. Please contact Jas Wasserman at 012 843 5743 or 082 490 2465 for assistance and to book a five-day course.

### MPO helps with occupational health and safety issues

The MPO's Institute for Dairy Technology offers a five-day training course on the occupational health and safety code of best practice for dairy farmers. The course is practical and arms participants with the knowledge to comply with the requirements of the Occupational Health and Safety Act. Training is conducted on-farm in the language of preference. Dairy farmers who need assistance in complying with the Department of Labour's health and safety requirements on their farms are encouraged to contact the Institute to schedule a training programme. The Institute is currently scheduling its training programmes for 2017. Click [HERE](#) for details of all the training programmes offered. Please contact Jas Wasserman at 012 843 5743 or 082 490 2465 for assistance and to book a five-day course.

## Technology transfer

### Enter our competition!!

#### How well do you know the dairy industry?

How aware are you of the broader economy of the dairy industry? Do you know how much milk was supplied in South Africa during the past month? Put your knowledge to the test and enter *The Dairy Mail's* monthly competition to see who knows our industry the best. A winner will be announced every month with several prizes to be won. After 12 editions a national winner will be announced at the MPO's 2018 gala dinner. Click [HERE](#) for more information and to enter.

## Events

### So many great reasons to visit the 2017 South African Cheese Festival!

Spoil yourself with a ticket to the award-winning South African Cheese Festival and discover an amazing selection of excellent and unique cheeses, other cheese products and delicious preserves that perfectly complement the cheese, as well as the finest wine and gourmet food. The SA Cheese Festival will be held at Sandringham, Stellenbosch from Friday, 28 April 2017 to Sunday, 30 April 2017. Tickets are available at any Computicket outlet, Shoprite or Checkers store at R160 per person per day. Visit our website [www.cheesefestival.co.za](http://www.cheesefestival.co.za), contact us on 021 975 4440 or email [admin@agriexpo.co.za](mailto:admin@agriexpo.co.za) for more information. For competition details and programme highlights, follow us on Facebook (Cheese Festival), Twitter (@SACheeseFest) and Instagram (sacheesefest).

## Diarise SALHC 2017

The South African Large Herds Conference will be held at the Champagne Sports Resort in the Drakensberg from 5 to 7 June 2017. The theme is "Resilience" – something every farmer needs in abundance. The programme has already been finalised and can be found on our website [www.largeherds.co.za](http://www.largeherds.co.za).

We would like to thank our sponsors, and especially our platinum sponsor, Standard Bank, for so generously supporting this conference yet again. Anyone wishing to sponsor and/or exhibit (stands are going at a rapid rate) must please contact Julie McLachlan on 083 740 2720 or email [julie@mpo.co.za](mailto:julie@mpo.co.za) as soon as possible.

All information on the conference, the programme, speakers, venue and accommodation can be found on the website where booking and registration forms can also be downloaded.

*Disclaimer: The MPO Milk Bulletin is compiled from sources deemed reliable. However, the publisher accepts no responsibility for any errors or the effect of any decisions based on this publication.*

### Links

**Milk Producers' Organisation**  
**The Dairy Mail**

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