



MELKPRODUSENTE-ORGANISASIE
MILK PRODUCERS' ORGANISATION

MILK BULLETIN

In partnership with
the dairymail
Publication for the dairy industry

Represents and empowers the producer

26 May 2017

Local market

Milk intake lower than 2016

Preliminary figures supplied by Milk SA shows that total milk intake during the first four months of 2017 was 0,1% less than during the same period last year. During April 2017 an estimated 227 million litres of milk was delivered to milk processors, 0,6% lower than April 2016. Lower grain prices will probably have a positive effect on total milk production in coming months. However, the effect of the 2016 and 2017 droughts is still largely unclear and production growth may remain depressed.

Successful producer meetings in KwaZulu-Natal

MPO CEO Dr Chris van Dijk, economist Dr Koos Coetzee and manager member services Philip Swart attended producer meetings in KwaZulu-Natal. According to Dr van Dijk the milk producers at the well-attended meetings were positive about the future of the dairy industry. Dr van Dijk gave a presentation on controllable factors that can influence a farmer's profitability. Dr Coetzee gave a market overview, stressing the current and future relatively low grain prices. He urged farmers to take steps to hedge against possible increases in grain prices in 2018. Mr Swart explained the new membership fee structure that will probably be implemented in 2018.

Sipho Makhaye from Umlozi HRM and Labour Relations Consultants did a presentation on the relationship between farmers and farmworkers. He stressed the importance of good relationships and to ensure that all role players take responsibility and accountability to achieve goals. These relationships should be nurtured through mutual respect, mutual reliance, as well as a degree of closeness. Key points for preventing distrust remains a proper induction in a new job, effective communication, as well as respect for diversity and culture. He can be contacted on 083 785 0622 or sipho.umlozihrm@telkomsa.net for any labour-related issues.

Nampo sets new record

The excellent current season for summer crops contributed to a new record of 78 648 visitors during Grain SA's recent Nampo Harvest Day. A feature of the event was the positive attitudes of the visitors. Many of the more than 700 exhibitors reported that their businesses had benefited significantly.

Jannie de Villiers, Chief Executive Officer of Grain SA said: "This time last year, producers in the midst of the worst drought in decades were encouraging each other and exchanging plans during the Nampo Harvest Day. This year we shared each other's joy at the promising harvest at hand. The public enjoyed the convivial atmosphere and yearned for information on how the agricultural industry could help to create a better future. Members of a European trade delegation visiting the Harvest Day even referred to the family spirit and sense of security they experienced among the Harvest Day visitors."

Nampo's main objective is to connect farmers and suppliers, but the importance of networking and the forming of partnerships and relationships is a key factor, without which the agricultural industry cannot survive. Various visitors from Africa, the neighbouring countries and local politicians were received and addressed by Grain SA during the Harvest Day. International visitors looking for local partnerships and distribution opportunities were

also a common sight at the Harvest Day. **Press release.** To read more, click [HERE](#).

Strong agricultural growth expected to alleviate poverty

Simpiwe Somdyala, General Manager of Corporate Affairs at Old Mutual, said: “Agricultural growth is a powerful catalyst for inclusive growth and socioeconomic transformation. A thriving agricultural sector has the potential to create jobs, stimulate savings, reduce poverty, lessen inequality, boost intra-African trade and, of course, improve food security. With scaled-up support and strong collaboration between the government and the private sector, it should be possible to create 1 million new jobs in agriculture by 2030. That translates into several million children lifted out of poverty over the next 12 to 13 years.”

Somdyala shared his views on 15 May 2017 before the start of the 51st Nampo Harvest Day, which was held outside Bothaville from 16 to 19 May 2017.

As a group that committed almost R1 billion to sustainable agriculture in 2016, Old Mutual and its sister company Old Mutual Insure (previously Mutual & Federal) combined forces to showcase their support for the agriculture sector at the Nampo Harvest Day.

“Old Mutual is committed to strengthening and unleashing the outstanding growth potential of this sector by developing an ecosystem of collaboration and support in the entire agriculture value chain, from the farmers and their employees to their suppliers, processors and distributors”, added Somdyala. **Press release.**

International market

Global dairy prices climb

Prices increased by 3,2% at the latest GlobalDairyTrade auction held on 16 May 2017. This is the fourth increase since March 2017. The GlobalDairyTrade trade-weighted index is currently at 1 089, 53% higher than in January 2016. Prices are back to the peak levels reached in December 2016. All prices, with the exception of rennet casein, had increased since the previous auction.

Butter prices increased by 11,2%, thereby continuing the increasing trend in butter prices. European private butter stocks decreased from 100 000 tonnes in June 2016 to fewer than 5 000 tonnes in March 2017. Cheese stocks are also substantially lower while milk powder stocks remain stable. Milk production growth in major exporting countries remains subdued with negative growth in 2016 and the first quarter of 2017 in Australia and Argentina. New Zealand production increased by 3,2% in the first quarter of 2017. In the EU, growth slowed down from 0,3% in 2016 to -1,2% in the first quarter of 2017.

Slow production growth as well as the recovery of demand will probably result in positive international product price trends in coming months.

US Infant formula market grows

A survey among 2 000 mothers with children between the ages of one and three undertaken by Perrigo Nutritionals in the USA found that many of the mothers who had not originally planned to feed their babies infant formula changed their minds after the baby was born. Infant formula is increasingly regarded as a safe, convenient alternative to breast milk. This trend is confirmed by the 9,3% growth in the market between 2015 and 2016. 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 continuously updating its schedule of training programmes for 2017. Courses are aimed at dairy farm workers 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 equips participants with the knowledge they need 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

Take part in our competition!

Do you know how much milk was supplied in South Africa in March 2017? Put your knowledge to the test and stand a chance to win. A winner will be announced every month and there are several prizes to be won. After 12 draws, a national winner will be announced at the MPO's 2018 gala dinner. Click [HERE](#) for more information and instructions on how to enter.

Your calf milk toolkit

A calf is born essentially as a monogastric mammal, and performs best when fed a milk-based diet until its digestive system adapts and matures to the extent that it is able to handle more complex carbohydrates and fibrous feedstuffs. Dairy producers must decide what type of milk-based solids to feed in the first eight weeks of a calf's life. For advice on how to achieve target pre-weaning weight gains, turn to page 79 of the May issue of *The Dairy Mail* for an article by Pieter Oosthuizen, ruminant technology application specialist at Cargill Nutrition. To read the digital copy of TDM, go to www.agricconnect.co.za.

Events

Book now for the SA Large Herds 2017

We are hard at work organising the 10th SA Large Herds conference, to be held at Champagne Sports Resort in the Drakensberg from 5 to 7 June. Please visit our website: www.largeherds.co.za for all the information on this conference.

We are bringing you the best speakers on the most relevant topics. After the last conference, we studied the feedback very carefully and also spoke to various dairy farmers, taking every comment to heart. The result is a programme offering pertinent topics and the very best speakers – international and local experts in their fields - for each topic.

All refreshments and lunches, as well as the meet-and-greet function will be presented in the Buttress and Summit halls. There will be a happy hour each day directly after the conference, which promises to be as popular as at the previous conferences. The Drakensberg Boys Choir will present a musical programme on Monday evening.

To register for the conference, please contact Julie McLachlan on 083 740 2720 or julie@mpo.co.za. Don't delay – avoid disappointment and register NOW.

Accommodation is arranged by Agri Travel & Tours. Please contact Anneke Kubannek on +27 12 843 5724 or anneke@agrivia.co.za to book your accommodation. Please note that accommodation must be booked as soon as possible, otherwise we will lose the rooms that are being kept for us.

Shuttle service to and from SALHC

Delegates to the SA Large Herds Conference, which will be held at the Champagne Sports Resort in KwaZulu-Natal from 5 to 7 June 2017, can make use of shuttle buses scheduled to run between OR Tambo and King Shaka airports and the Champagne Sports Resort. The shuttle buses will depart at 10:30 from OR Tambo Airport and 14:00 from King Shaka Airport on Sunday, 4 June, for the Champagne Sports Resort. The shuttle buses to both airports will depart at 12:30 on Wednesday, 7 June. The price for a one-way transfer from and to OR Tambo Airport is R500 and R400 for a one-way transfer from and to King Shaka Airport. The booking form can be downloaded from www.largeherds.co.za/shuttle_bus_booking_sheet.pdf. Full information can be found at www.largeherds.co.za or contact Julie on julie@mpo.co.za or 083 740 2720

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Links

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Please take note that this e-mail is not spam. It is a newsletter sent from the MPO to you as valuable milk producer.

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