

Media release

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### **Fertiliser challenges not as bad as the 1980s**

Farmers are clearly struggling to afford the fertiliser tonnages they need to optimise production, but the situation is not as bad as when subsidies were removed in 1984, according to an industry expert.

Warwick Catto, Head of Agro-Sciences at Ballance Agri-Nutrients, says fertiliser usage is down appreciably nationwide compared with last year, although few farmers are choosing to forego fertiliser applications entirely.

'The key difference between the 1980s and today is that farmers can still afford to budget for fertiliser expenditure, even if it is down. This is a far cry from the situation in the mid-1980s when the money was simply not there and farmers had to reduce personal drawings from the farm significantly.'

'Most farmers are financially better off today because of the very good historic fertiliser use that New Zealand has applied for the past 10 years,' says Mr Catto, 'and it is fortunate that most farms are not starting from a low fertility base.'

'For example, almost 99 per cent of Fonterra farmers now have a nutrient budget in place. However, the new pricing plateau means farm systems and rates of use will change, with dairy farmers reducing Olsen P to lower levels and adjusting fertiliser maintenance rates accordingly.'

Mr Catto says farmers have learned the lesson from the 1980s, when production suffered for several years because insufficient fertiliser was applied, and most are still strongly focused on maintaining productivity and minimising any production loss risk.

'We saw a significant drop in fertiliser sales for application this autumn, and this may be repeated this spring. Farmers struggling with funding a spring application might well focus on sulphur and potassium, as these nutrients will impact on production first, relative to phosphate.'

One standout positive to come from the current situation is that more farmers will take a look at how they can get maximum benefit from on-farm effluent,' says Mr Catto. 'Managing effluent is good business all round. Used correctly, it can be good for pastures and for the environment.'

He says that while the fertiliser situation overall is difficult, it is nowhere as bad as in the Eighties.

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'Hill country will be particular hard hit and in some cases the profitability of fertiliser going forward will be questionable. However, most sheep and beef farmers will purchase fertiliser, albeit at lower levels.

'Again, there is likely to be increased emphasis on sulphur in particular and potassium to a lesser extent as farmers maintain this input and reduce cost by lowering phosphate inputs.

'In terms of nitrogen, n-rich urea is still the least-cost supplementary feed and its use will remain strong, but the focus will be on efficiency in terms of optimal timing and specific needs for pastures and crops in particular. This is where Ballance's crop models software is very useful in targeting optimal levels economically.'

Now more than ever there was a need to take a scientific approach to farm fertiliser use, he says, and farmers should work closely with their Ballance Technical Sales Representative to get maximum performance for their dollar.