

A case for conservation farming

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Narromine, Western Plains NSW

Established 2001



Dale Foster
NDF Ag-Design

In the words of an Australian manufacturer of conservation farming machinery, the future of agriculture comes back to looking after what one has the ability to control. For a man driven by good design and a quality product that works consistently in the field, this means investing heavily in his business and the regional community that supports his business.

Dale Foster is the owner of NDF Ag-Design at Narromine and the designer behind the NDF disc planter. He is clearly committed to producing an Australian designed, tested and manufactured machine that responds directly to the needs of Australian conservation farmers. He may even be found working on the next disc planter model on a New Years' Eve while everyone else is enjoying the festivities.

"We don't get subsidies like the US or Europe. We could point the finger at the government as the one not helping us, but I don't rely on needing to see higher grain prices or needing less imports or extra benefits from the government.

"Those things would be nice, and would be appreciated by everyone, but the reality is we look more to what we have control over to make sure we stay viable and have a future, because we've only got ourselves to rely on," says Dale.

Dale grew up row-crop farming from Moree to Gunnedah and down to Hillston. He did a machinist apprenticeship, working both on-farm and in manufacturing on the factory floor, eventually going on to establish his own business in 2001 with the intention of starting a business to make money to go farming. The business took over and now NDF has become an established player in the Australian conservation farming machinery sector.

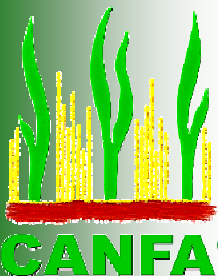
"We've been doing disc planters since 2003. We were doing row-crop gear, because that's what I knew. But a lot of farmers kept saying they wanted a heavy-duty disc planter.

"Going back then there wasn't anywhere near the equipment on the market that there is now. There were probably only eight or nine disc planters on the market and farmers probably felt what was available wasn't suiting their needs still.

"Since then we've focussed on disc planters for the last eight years. It's built our reputation. We've had requests to build other things such as chaser bins and boom sprays but we don't believe there is a shortage of these things. I believe disc planters is what we know a lot about now; spending eight years only doing disc planters you have to have learned something!"

In this time, NDF has proven itself across a wide range of soil types and conditions.

"We've got machines in the Mallee working in sand—some disc planters won't work there; we've got machines on the Liverpool Plains and there's gear in Western Australia, Victoria and South Australia, as well as Queensland. There are some



CANFA

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very wide-ranging soil types.

“While we do have first time buyers of disc machines, our market is now basically anybody who has had a lesser machine. They look at the price of gear and say they can’t justify it, then they come back and say they can’t not justify it because they’ve tried other machines,” says Dale.

NDF released a new machine on the market at the 2012 Conservation Agriculture Field Day held at Parkes in February, hosted by CANFA. Dale considers this machine to be as close to perfect as he can make a single disc planter at this stage. He is often the first to note what needs improving, considering in-field planting trials and demonstrations to be critical to the process of development.

“While we take feedback from farmers who buy our gear, at the end of the day what fine-tunes our designs is our in-field involvement. A farmer can see what isn’t right, but because they don’t have a deep-seated understanding of the equipment they can’t see why it’s not right or what can be done to change it.

“We instigated the new model (SA650) as a result of our contract demonstration sowing – which is both product development, research and development, and training for our field staff.

“The 650 model started New Years’ Eve 2010 when I was at Gulargambone making adjustments to the 550 thinking there had to be an easier way to make adjustments to this machine to set it up. I had to spend two hours making adjustments as part of the contract demo work, where we have got to do a perfect job,” stresses Dale.

“The reoccurring theme was that we could pull up at a paddock and do a pretty good job but not necessarily a spot-on job without taking considerable time to adjust it. A couple of days later, I started thinking about different ways we could implement easier adjustments across the board; making a list of what we wanted to see in the new row unit and what we didn’t want to see.

“We had to eventually bite the bullet and get the new machine out because the user-friendliness of it is so superior. Everything on it is easier to do. A new machine we just sent out to Merriwagga had nearly every aspect on it adjusted after it left the factory – the whole thing took only 45 minutes. Any other machine on the market would have taken three times that time to adjust, as would our old model,” Dale says.

“We’ve achieved everything we wanted to and while it has made it dearer, it doesn’t require a daily maintenance schedule. When you do have to change things it doesn’t require elaborate equipment to press bearings in and out, and we’ve gone top shelf with bearings and seals.”

The investment made by Dale into manufacturing his machines within regional Australia is considerable, spending \$1.3 million upgrading the factory in the past year – with no Government assistance.

“We’ve just installed seven new machines in the factory since last August to build this gear. A big proportion of what we bought was top-shelf machine tools out of Japan, France and Canada. We put two pieces of equipment into the machine shop worth more than \$750,000 between them. Both of them I could have bought for half the price from Taiwan, but this new stuff allows us to work it in one machining process – going in raw and coming out finished with more precision and consistency.

“We could send this all off-shore and have it produced in China or India and probably cut back on costs, but there would be a compromise; it wouldn’t be the same machine,” he says.

From 1 July, farmers will be entitled to a refundable tax offset (RTO) of 15 percent of the cost of an eligible conservation tillage asset held during the income year, as part of the Federal Government’s Clean Energy

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(Consequential Amendments) Bill 2011 amendments to the Income Tax Assessment Act 1997.

CANFA has called on the Federal Government to make the RTO retrospective to 1 November 2011 and to include modifications. It has also questioned why Australian manufacturers have not been given greater support by the scheme.

Dale Foster said the tax offset scheme for conservation tillage has already had an impact on his business.

“At the moment, farmers are holding out, saying they’ll buy next year because of it. Sales are down because farmers want to pick up on it. I can only assume the market will be up next year.

“I’m not sure if farmers will look to the cheaper options when the time comes, but whoever thought of this scheme, they didn’t think it through. Farmers don’t want to miss out, so there’s automatically pressure on us. We’re down on our turnover for this financial year, and is it all to do with low grain prices?” asks Dale.

“I spoke to a farmer the other day who said he is still making good money out of wheat at \$150 (per tonne), he said we’ve just got to do the job better and grow more of it because we’ve got the moisture.

“I can’t say my turnover is down because of the tax offset scheme, but the reality is I think it is the reason. The four or five farmers who have said their holding out would have made the difference in our turn over.”

In the long term Dale sees a big future for Australian agriculture, in particular the conservation farming sector.

“I can’t see why more and more farmers won’t turn to conservation farming, which may not necessarily mean no-till year after year. But I think single disc will be the only way forward in bigger scale operations.

“Obviously the benefits are there and CANFA knows there are always going to be challenges, such as this past summer with problems such as fleabane,” he says.

Dale believes NDF Ag-Design will be part of that future, with Australian farmers continuing to invest in Australian-manufactured equipment because of its ability to meet the challenges of the farming environment.

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