



Management and Marketing Strategies for Profitable Grazing

Robert Stanbridge

"Trellawarren", Blayney

Our 350 ha property is located 8 km south east of Blayney with an elevation 900 - 1000 metres and an average annual rainfall of around 750 mm. The soil type is volcanic derived from Ordovician Andesite, red earth soils on the slopes are deep, 1 to 4 metres and free draining while the flats and drainage lines are grey, poorly drained, podzolic soils. The soils also contains remnants of volcanic boulders and lava flows often dispersed throughout the profile.

The property has been sown to improved pastures since the late 1950's and since then all paddocks have been top dressed every year with 120 kg/ha of single super.

In normal years we carry approximately 1500 cross bred ewes and 200 steers giving us an average stocking rate of 7.5 cross bred ewes/ha or equivalent. Our enterprises are strongly grazing based with around 60% of income from our lamb production enterprise, 25% from beef production and up to 15% from grain and hay production. The percentages of lamb enterprise and beef incomes may vary by up to 15% depending on market and seasonal conditions.

Seasonal growth and climate variability

Our 750 mm rainfall is winter dominant and generally reliable in winter. Summer rainfall is variable and unreliable even though January is our third highest rainfall month. Autumn rainfall although critical, is erratic and unreliable, and only 1 in 3 autumns could be described as good.

Winter is our period of slowest pasture growth

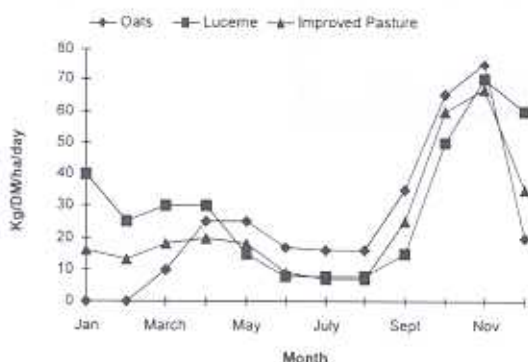


Figure 1: Estimated growth rate of oats, lucerne and improved pastures at Blayney.

and lowest feed availability. Spring growth is normally very good, peaking in November and pastures begin haying off around Christmas.

From Figure 1 you can see that in our part of the world lamb production from a winter/spring lambing matches our pasture production better than beef and merino wool production systems. However we operate a productive mix to take advantage of above average seasonal conditions as well as incorporating a couple of safety valves to help us through the poor seasons. To achieve this our lamb production takes priority over our cattle. Beef production consists solely of steer growing. We only want one breeding enterprise. In a poor season cattle are expendable and strategically sold off.

Australian farmers have to operate with a variable weather pattern. To gain maximum benefit from climate fluctuations our pasture management and production methods must reflect this variability. Coping with variable seasons and climate and still making a profit requires a range of enterprises and flexibility in both management and marketing.

Our enterprises, production systems and marketing are interlocked, but for this paper I will describe them separately.

Lamb marketing

The lamb enterprise targets both the domestic and export markets. We have been marketing our lambs directly to suppliers and end users for the past 10 years. Most lambs are sold by "over the hook." Presently we are targeting as many lambs as possible to heavy weight export markets (20 - 23 and 24 - 30 kg CW). To achieve this we lamb in July. This gives us maximum use of the spring feed flush. We use high performance Lambplan rams for quick growth and lower fat scores. The top of the lambs are weaned November/December, put onto lucerne in late December to turn off in January / February. The bottom, slower growing lambs are usually sold into the domestic market around Christmas time. It is important to retain the best performing lambs to take onto heavy weights.

There are various export markets for heavy lambs each with their own specifications. You can sell to them on contract or market price. Contracts have the advantage of a guaranteed price but have the problem of delivery to specification if seasonal

conditions deteriorate.

"Over the hooks" trading is being carried out by the stock agents, individual producers or "preferred suppliers." Preferred suppliers have a number of growers who can supply lambs to the required specifications, the advantage being that the suppliers are in contact with processors and know how lambs are performing as the season varies. They know their growers and how they perform and have a much wider available pool of lambs to draw on. Processors, when caught short, due to contract suppliers inability to deliver or their buyers being unable to source the required article, will often use a preferred supplier to fill an order at short notice. The "spot" price for those lambs often carries a significant premium over the current markets. We have found being a "spot" supplier is often more profitable than having contracts. For successful "over the hook" trading you must ally yourself to a processor or a preferred supplier and keep in contact with processors to keep yourself informed on market requirements.

Beef production

Our other major enterprise is beef production using steers. We only want one lot of breeders. Steers are run to maximise pasture utilization and are always tradeable as either stores, feeders or fats depending on seasonal conditions.

We usually buy steer weaners direct from breeders in the weight range of 180 - 300 kg live and aim to sell them if seasonal conditions allow at 550 - 650 kg. In unfavourable seasons we can sell our cattle at lighter weights because they are always in saleable condition.

We aim to keep 6 weeks quality feed in front of our cattle, if not we start to sell them progressively. In poor seasons it is often more profitable to sell our cattle and stored hay. This gives us a larger area to run the ewe and lamb enterprise. Our cattle are usually sold "over the hook." When seasons force selling to lotfeeders, having cattle from known breeders is a selling advantage.

Pastures and grazing

Our pastures largely reflect soil types. On well drained slopes pastures are perennial ryegrass, cocksfoot, sub and white clover, with phalaris and clovers on our less arable areas. The winter waterlogged areas are sown to fescue and white clover to take advantage of these areas for late spring / summer grazing.

Lucerne makes up 15% of our pasture and is grown on the well drained slopes with the deepest soil types. This allows the lucerne to utilise the sub-soil moisture during December/January. These lucerne areas are primarily for finishing lambs, however it is not normally needed in spring, so we

graze in September and make hay in November or we can get an early silage cut. Recovery following hay or silage making allows lambs to go onto lucerne around Christmas for finishing in late January. Hay that is cut is generally stored and sold for higher prices in dry periods (at the same time as we sell the cattle).

In difficult years the lucerne is used solely for grazing to turn off lambs (this gives us 15% more pasture area for our grazing enterprise). Another advantage of lucerne following an autumn break is its ability to produce quick feed which is grazed allowing our other pastures to recover for winter.

An oat crop or two is always part of our program. Oats are sown into sprayfallowed ground in February for winter grazing to help fill our winter feed gap. In our climate we always manage to utilise our oat crops even in a good year. We use oats in many ways, depending on the season. For example finishing lambs or cattle, growing out cattle, ration feeding of ewes in a tough year or opportunity buying of young cattle in late winter before prices rise. A grazing oat crop can also assist by reducing stock pressure on pastures in late winter, allowing earlier and quicker pasture growth in spring. Oat crops are also harvested for grain for our own use or sale at a later date. Harvesting oats is a way to help utilise our excess spring flush.

Pasture management

Our pasture management strategies aim to maximise pasture growth, get good utilisation of feed produced and maintain long term healthy vigorous pastures.

Sheep are stocked onto particular paddocks to suit the pasture or to manage condition of livestock. Ewes and lambs are set stocked in spring. They are stocked at a higher rate of 12.5 ewes/ha (5/acre) to maintain pastures at 2.5 to 3.5 tonnes/ha. Lambs perform best under this set stocking regime.

Increasing stocking rates in spring allows other areas to be closed up to seed for pasture regeneration or to be used for cattle production. This pasture regeneration system has enabled us to maintain productive perennial ryegrass pastures that are up to 30 years old (described in the Grassland Society Central Branch Field Day Notes in 1996).

Lambs are sold or weaned onto lucerne pastures in summer. Ewes are then rotationally grazed on pastures. In poor autumns once we get a break, ewes are concentrated onto some areas and supplemented or even lot fed to allow pastures to recover and grow for winter and lambing. Our cattle are generally set stocked or rotated ahead of our sheep.

Soil fertility must be maintained in order to have good production. All our pastures receive 120 kg/ha of superphosphate/year. Lucerne areas receive 250

to 400 kg/ha/year, due to higher product removal. The benchmark figure of 1 kg phosphorus/dse/ha/year as is widely promoted is not far wrong if you want highly productive pastures. We also lime our lucerne country and are also slowly liming our pasture country (with good results).

Conclusion

We are attempting to make the best of our variable climate and seasonal growth pattern, by using different pasture types, flexible management and production systems to maximise our returns.

