



Information Exchange

The newsletter of the BESTWOOL / BESTLAMB network

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Tighter meat supplies mean better prices

THE OUTLOOK is positive for lamb and mutton prices in the coming months, according to Meat and Livestock Australia (MLA). That is despite Australia's national flock being at its lowest level since 1947 – an estimated 95.3 million sheep,

Prices are being driven by increased demand for lamb and mutton, limited supplies and a shrinking national flock that MLA estimates is down 5.5 million head on last year, said MLA's chief market analyst, Peter Weeks.

The past year has seen increased lamb and mutton slaughtering, as the dry season has forced producers to offload stock.

A record supply of lamb in the past 12 months has put downward pressure on prices for producers over the past year, with supply in 2006/07 so far up more than 10% on the previous financial year.

"A lot of lambs were sold early because of the dry conditions at the end of last year and didn't go to slaughter," Mr Weeks said.

"Many of these lambs have been grown out and are now coming onto the market as older, heavier lambs. Prices are stronger on a per kilo basis, being

15% higher than they were in December last year."

Prime lambs

Robust demand is a key factor behind the positive outlook for lamb, with domestic demand expected to continue growing.

Last calendar year Australians ate an average of 10.7kg of lamb each, up from 10.1kg the previous year. At the same time, spending on lamb rose an average of 11%.

"Consumers are keen on the product and eating more lamb, which is partially due to better quality, marketing and presentation," Mr Weeks said.

At the same time, demand for

Australian lamb in key export markets, such as the US, Korea and Japan, has waned temporarily as more New Zealand lamb enters the export market, as a result of the drier conditions across the Tasman.

"The fall in demand in some of our key export markets has been temporary and we expect a lift in export demand for Australian lamb in coming months," Mr Weeks said.

Merino lambs

Since December there has been a big price rise for Merino lambs, with supply down and strong demand from the Middle East. This has resulted from a reduced

supply of Merino lambs with lower lambing percentages last season and increasing numbers of Merino breeders joining ewes to crossbred sires.

"We expect fewer Merino lambs coming onto the market this year, with wool producers likely to hold on to more of their Merino lambs in response to rising wool prices and the need to rebuild flock numbers post-drought," Mr Weeks said.

Mutton prices have rebounded since the lows of November/December last year and prices for this year are expected to average higher than 2006.

"No major sheep area had a reasonable season last year, so there was a big supply, but now restockers are coming back into the market and if we get a widespread break then prices should rise even further," Mr Weeks said.

Mutton exports in the first three months of 2007 were up 11% on the same time last year, and exports to the Middle East were up 63%.

"Demand for mutton is also up in Japan, Papua New Guinea, South-East Asia and South Africa," Mr Weeks said. ■



Lamb and mutton prices are expected to increase in coming months, due to increased demand and limited supplies.

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Day trip focuses on being productive

A RECENT tour of western Victoria has given members of the Ballarat and Hesse BESTWOOL/BESTLAMB groups an insight into how other farmers are focusing on the most productive aspects of their businesses.

The trip highlighted the benefits that can be achieved by specialising in aspects of lamb production, as well as the potential role of incorporating summer-active perennial species into grazing systems.

Seventeen members of the Ballarat and Hesse groups took part in the one-day tour. It involved visiting the Evergraze project at the Department of Primary Industries (DPI) Hamilton, a composite lamb breeder specialising in store lamb production and a professional lamb finisher.

While the Ballarat group has been running for a number of years, the Hesse group only formed recently. Both groups are coordinated by James Whale of DPI Ballarat.

Ballarat group member Chris Draffin operates a mixed farm with prime lambs, cattle and cropping near Burrumbeet. He said the trip was packed full of interesting people and ideas.

"I was impressed with what we saw," he said. "We packed a lot into the one day and almost bit off more than we could chew, but in reality most people can only get away from their farms for one day at the moment."

Evergraze

The first stop on the trip was the Evergraze project that is investigating the role of summer-active perennial pasture species in high rainfall (>500mm) areas. Its aim is to increase livestock production and profitability while reducing groundwater recharge.

"After 10cm of rain in January, the Hamilton



Members from the Ballarat and Hesse BESTWOOL/BESTLAMB groups participated in a one-day tour that looked at other farmers who, and initiatives that are, focusing on the most productive aspects of their business.

site looked fantastic and really showed what some of the perennial species in the trial had to offer in lifting dry matter production over summer," James said.

"One site that looked interesting was where Kikuyu had been sown into a sub-clover based pasture to boost summer growth. A key part of this combination was grazing management, which involved keeping the Kikuyu grazed down hard, so that it didn't form a mat, maintained feed quality and enabled the clover to grow through in autumn."

While highly responsive to summer rain, there were challenges if Kikuyu was left unmanaged – it became indigestible, was prone to spreading and was hard to kill out of a pasture.

Composite flock

The group also visited composite lamb breeder John Keiller of Cashmore Park, who runs a large flock of performance recorded composite ewes.

The Cashmore Park breeding program focuses on productivity and profitability through genetic gain, Chris Draffin said.

"The emphasis was on productive sheep, not pretty sheep, and fertility was a key factor to the business," he said. "John breeds his own replacements and uses performance recording to identify which sheep are making money."

Replacement ewe lambs are joined at eight months to lamb at 13 months, with more than half the ewe lambs producing a lamb.

Early joining accelerates genetic gain in the flock and ensures young ewes generate a return sooner.

"Some of the young ewes rear twins, so they don't grow out to the same size as ewes that don't get in lamb, but John sees these sheep as more productive and profitable for the business," Chris said.

Grass farmer

The last stop was at a lamb finisher at Woolsthorpe who is turning more than 35,000 lambs a year using a pasture-based finishing system and who describes himself as a 'grass farmer'.

All lambs were bought in as stores, either from breeders or from the saleyards, although there was a preference for repeatedly sourcing lambs that performed well from breeders.

"This farmer was confident he could grow grass and wanted to harvest as much as possible, as efficiently as possible," Chris said. "He'd decided to focus on one aspect of lamb production – finishing – and was doing it really well."

"The 700ha farm was divided into 8ha paddocks that all have access to a laneway and reticulated water.

"There was a 60-90 day turnaround on the lambs. His business centred on calculating future pasture growth rates, buying in lambs to match animal demand to feed supply and monitoring lamb growth rates."

When this last season began to shorten, the number of lambs bought in was reduced in line with falling pasture production. ■

StockPlan aids drought management

EIGHTY FARM families have attended a series of five StockPlan workshops across Victoria in the past month. The aim of the one-day workshops was to demonstrate a series of computer programs to help farmers manage drought.

On the day, participants worked on their computers using the StockPlan software programs, as well as hearing presentations about climate variability and discussing the best farm management methods to manage drought.

All participants took home a CD of the program and a user manual. Some were keen to go home and use it straight away, while others saw the benefits of the program, but thought it was too late in release. Most participants valued the opportunity of being taken through the programs and enjoyed the make up of the day.

More information about StockPlan can be found on the AWI website http://wool.com.au/page__2073.aspx or phone Kieran Ransom on 5430 4451.

South West Farm Monitor Project Results

FIGURES FROM the recently released 2005/06 South West Monitor Farm Project won't hold any surprises for producers.

The results show increases in lamb and beef production and a decrease in wool and cropping as a result of the late autumn and dry spring across the 35 farms involved.

Department of Primary Industries' economist Helen Quinn said the results of the 2005/06 survey were published later than usual because of a delay in getting results back from farms.

"People have been going through a difficult time in the lead up to the current drought, so it's understandable," she said.

Farms taking part in the 2005/06 survey ranged in size from 120 to 4700 hectares.

Flock sizes varied from 499 to 19,706 sheep, cattle numbers ranged from 100 to 4285 head and the area covered by crops ranged from 14 to 815 hectares.

Compared with the previous survey, the area use for wool production dropped 5%

to 39%, while the areas used for prime lamb production rose 4% to 22% of the area covered by the survey.

Similarly, the areas used for beef production increased 1% to 30%, while the area used for cropping dropped 2% to 8%.

In 2005/06 the gross income of the average farm increased 3% to \$453/ha – due to a 6% increase in cropping hay income, from \$74/ha in 2004/05 to \$78/ha in 2005/06. Livestock income remained steady at \$342/ha.

Once again, the top 20% of farms earned 50% more per hectare than the average for the project, with the additional income derived from beef and prime lambs.

The stand out issue for livestock producers in the 2005/06 survey results was the increased cost of supplementary feed, Helen said.

The report can be downloaded from the DPI website at www.dpi.vic.gov.au/farming/farmmonitor. To buy a hard copy for \$16.50, phone Helen Quinn on 9296 4747 or Will English on 5624 2293.

AT A GLANCE

Leadership program

To foster the leadership capacity in the wool and lamb industries, the BESTWOOL/BESTLAMB program is offering two scholarships for this year's Marcus Oldham Rural Leadership Program.

The program will run from Sunday, June 24, to Friday, June 29, at the Marcus Oldham College, Geelong.

The scholarships cover all program costs, including accommodation and meals.

Candidates will be selected for their potential to contribute as a leader in the industry. They will be chosen by a three-member panel of the Advisory Committee. Applications close on Friday, May 18.

To learn more about the program, visit www.marcusoldham.vic.edu.au

If you are interested in applying, phone Annette Taylor on 5355 0531 or e-mail annette.taylor@dpi.vic.gov.au.

Feeding guide

Lifetime Wool has produced a booklet 'Feeding for a dry season' to help work out rations. The guide is free and is available from James Whale at DPI Ballarat, phone 5336 6633.

Merino breeding

A field day outlining the latest tools in Merino breeding will be run at the Department of Primary Industries (DPI) Rutherglen on Tuesday, June 19.

Topics to be covered include precision ewe nutrition, new flock management tools, sheep enterprise comparisons, optimising management variables, new style and comfort fleece traits, breeding merinos for wool and meat, and environmental effects on meat and wool.

Guest speakers will include Dr Ken Geenty of CSIRO, Am Gill or Dr Alex Ball of Sheep Genetics Australia, Dr Daniel Brown of the Animal Genetics and Breeding unit and Doug Alcock of NSW DPI, as well as a panel of stud breeders.

For more information or to register, phone Bronwyn Henry on (02) 6030 4522. Registrations close on June 8.

Newsletter contributions

WE are keen to hear suggestions for this newsletter and are happy to take contributions. Phone Annette Taylor on 5355 0531.

Get involved with Farm Day

BESTWOOL/BESTLAMB members wanting to give city families a better understanding of life on the farm are being encouraged to get involved with the 2007 Farm Day which will be held nationally on Saturday May 26 and Sunday May 27.

Farm Day aims to renew the links between farming and city families by enabling them to share a day of 'fun, friendship and understanding'.

The city guests have a chance to experience the daily workings of the farm first-hand and enjoy the company of their farm family.

Farm Day started in Victoria in 2006 as the brainchild of BESTWOOL/BESTWOOL member Deb Bain.

The outstanding success of the first Farm Day has resulted in the project becoming national and being supported by Meat & Livestock Australia, *The Weekly Times*, the National Farmers' Federation, Department of Primary Industry, Corangamite Catchment Management Authority, Kondinin Group, and PPB Rural and Agribusiness Services.

Farm families interested in taking part in



The Farm Day program is the brainchild Deb Bain, a BESTWOOL/BESTLAMB member

Farm Day should register their interest on Farm Day's website, www.farmday.com.au.

They will then be contacted by a 'matchmaker' to ensure their interests and needs are met.

Families are matched according to ages of the children, the family interests, and the distance they are willing to travel. The city family then travels to their host farm on either May 26 or 27 as arranged with their host family.

For more information, visit the website or phone Deb Bain on 5340 2215 or 0438 402 215, or e-mail deb@farmday.com.au.

Help us revise BESTWOOL/BESTLAMB

ACCORDING TO the present funders of BESTWOOL/BESTLAMB, having a network of sheep producers in Victoria for them to connect with is important and worthy of their investment.

The Advisory Committee's task is to framework a revised structure for BESTWOOL/BESTLAMB for the next funding round.

It has been the major focus for the committee in the past eight months.

With the help of the Co-ordinators and funding from the Department of Primary Industries, Australian Wool Innovation and Meat & Livestock Australia, the committee has been meeting to gather information to further draft this new framework.



Jamie Ramage,
chairman,
BESTWOOL/
BESTLAMB

Our next instalment of this process will occur at a combined Co-ordinators/Group Contacts Conference to be held at Trawool Valley Resort on May 30-31.

Group Contacts are an integral part of the BESTWOOL/BESTLAMB network and their presence or a representative from the group is valued.

The committee requires a better understanding what participants from across all the groups require from the BESTWOOL/BESTLAMB program.

Each group should try and have a meeting before the conference to openly discuss with their Co-ordinator and Group Contact:

- what has worked well in the program;
- how they would like to see the program improved; and
- how to deliver value to participants.

BESTWOOL/BESTLAMB has always prided itself on being grower driven. This is your chance to share with the committee, through your Co-ordinator and Group Contact, your thoughts and ideas on how the program should continue.

If you have comments that you would like to share about the future of the program, phone me on 0417 511 223.

Livestock Library

A mass of information on Australian sheep and beef production research is now available free on the Internet through the Livestock Library – www.livestocklibrary.com.au – an initiative of the Australian Sheep Industry CRC and the CRC for Beef Genetic Technologies, with funding from Australian Wool Innovation.

It focuses on livestock production information, including journal articles and conference proceedings.

Users can search any combination of author, title and keyword. A bonus is that searches can be limited by date. Full text papers published in the *Proceedings of the Australian Society of Animal Production* and by the Association for Advancement of Animal Breeding and Genetics are available free.

There are already nearly 16,000 documents available on Livestock Library.

SMOKO ...

Where's the autumn break?

The weather map can fool us all, it's just that time of year,
Waiting for the autumn break each week with nervous fear.
We seldom get the break in March, more often it's in May,
But everyone has theories, if we hear what they say.

'It hasn't rained for quite a while, we'll get an early rain',
'We need to get an early break to ease financial pain',
'We'll get an early break this year, before St Patrick's day',
'No, end of March, the break'll come,' you'll hear another say.

'I think we'll get an April break, Anzac Day at best',
'Well, when it rains the grass'll grow, it's had a decent rest',
'I reckon it's a re-run of the drought of eighty-three',
'No, sixty-seven is the year, if anyone asks me'.

A weather watcher who I know, was waiting for the rain,
He'd tap the needle on his glass and tap it once again,
And everyday the needle moved, he'd shake his head and sigh,
The needle on the glass would move but always towards 'dry'.

And then one day the rain began, it rained an inch or more,
My cobber went and tapped the glass, believed not what he saw,
The needle on the glass had moved, with rain still in the sky,
The needle moved, but not to 'wet', it indicated 'dry'.

My cobber was incredulous; the rain still tumbled down,
But still the glass was showing that his paddock would be brown,
He took the glass from where it sat on his verandah shelf
And tossed it outside in the rain – 'See for your bloody self!'

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BESTWOOL / BESTLAMB is a co-operative program for wool and lamb producers seeking to boost their farm profit and productivity.

For information about the BESTWOOL / BESTLAMB network, phone (03) 5355 0531,
e-mail bestwool@vff.org.au or visit www.bestwool.com