

AN INITIATIVE OF

Making More From Sheep



Australian Wool
Innovation Limited



It's ewe time!

- ✓ Grow 10% more wool
- ✓ Achieve 10% more carcase value
- ✓ Produce 10% more lambs per hectare



SOUTHERN NSW, 2018

Alpine Hotel, Cooma, NSW – Tuesday 24 July

Gunning Shire Hall, Gunning, NSW – Wednesday 25 July

Cowra Services Club, Cowra, NSW – Thursday 26 July

It's Ewe Time Forums

- SOUTHERN NSW PROGRAM

TIME	TOPIC	SPEAKER
8:30	Registration	
9:00	Introduction (Chair) inc. Meat & Wool Outlook	AWI
9:20	Managing Ewes in Dry Times	Megan Rogers SheepSMART Solutions, Forbes, NSW
9:55	Maximising Lamb Performance (Cooma)	Doug Alcock Graz Prophet Consulting, Cooma, NSW
9:55	Maximising Weaner Performance (Gunning & Cowra)	Geoff Duddy Sheep Solutions, Oman Ama, QLD
10:30	Measuring to Manage	Hamish Dickson AgriPartner Consulting, Clare, SA
11:05	MORNING TEA	
11:30	Your Sheep Health is Your Wealth (Cooma and Gunning)	Matt Playford Dawbuts, Camden, NSW
11:30	Your Sheep Health is Your Wealth (Cowra)	Bruce Watt Central Tablelands LLS, Bathurst NSW
12:05	Extending Positive Price Cycles (Cooma & Gunning)	Simon Vogt Rural Directions, Clare, SA
12:05	Effective Integration of Livestock and Cropping (Cowra)	Simon Vogt Rural Directions, Clare, SA
12.40	Closing comments	AWI
12:50	LUNCH	
2:00	FINISH	

THE 2018 IT'S EWE TIME FORUMS ARE SUPPORTED BY:



Market Situation

Wool Market

- The Eastern Market Indicator (EMI, Australia's primary wool market indicator) has been on a steady upward trend for the past five years.
- The EMI broke historic price levels in the 2017/18 selling season, peaking at 2073 c/kg, and closing at 2056 c/kg at the end of the season.
- The EMI lifted 531 c/kg (34.8%) in the 2017/18 season.
- NSW is Australia's foremost wool production state, accounting for over a third of the total clip.
- Comparing the 2016/17 and 2017/18 seasons, the NSW wool clip was marginally finer whilst slightly more wool was produced.
- In the 2017/18 season, 65% (over 85 million kg) of NSW wool produced was below 20.5 micron.
- The overall sentiment in China remains very positive. All Merino wool has been under buying pressure throughout the season but has now possibly entered a period of price sensitivity.
- The ability of Chinese, European and other garment manufacturers to pass on recent price increases seen at local auctions is now required to sustain the current levels (or somewhere close to it). Owing to the rapidity of recent price rises, most manufacturers will have exhausted their cheaper average price purchased at the beginning of the rise. Manufacturers' buying levels for the year have averaged around 1750c, and there will be reliance on passing on the increase to sustain current pricing levels.

AWI releases a range of market intelligence information, including weekly and monthly reports, wool production forecasts and text messages. This information is available to view at wool.com/marketintelligence, and you can sign up to have the reports emailed and messaged directly to you.

Notes

Sheep and lamb market

- Dry weather and drought conditions so far in 2018 have challenged producers’ intentions at the start of the year to expand their flocks and take advantage of high sheep and wool prices.
- Australian lamb slaughter is forecast to get close to 23 million head in 2018, up substantially on 2017 levels.
- Lamb carcase weights are expected to continue at just below record 2017 levels, combining to see a production increase of 3-5%.
- The poor conditions have had a more significant impact on sheep slaughter, with year-to-May numbers up 25% year-on-year.
- Lamb prices have been resilient all year, despite the abundant supply, due to strong on-going international demand. Since May they have trended upwards, spiking at the end of June to reach record highs at the start of July at 726¢/kg.
- The increases in supply are forecast to result in a record breaking year for lamb exports with all major market destinations in growth.
- Given New Zealand’s capacity for export growth remains constrained, Australia is competitively positioned to supply growing demand in the global market.
- On-going dry seasonal conditions in many key supply regions, along with a poor rainfall outlook, will likely see a certain amount of volatility in the market continue.
- Looking ahead, the market will depend on a break to the poor seasonal conditions and improvements in feed availability coming into spring.

MLA’s Sheep Industry Projections Update will be released in September – to receive this, or any of the Market Information reports by email, contact marketinfo@mla.com.au. If you are looking for more detailed prices and trends at your local saleyard, visit www.mla.com.au/prices-markets/market-reports-prices/.

Notes

Session 1: Managing Ewes in Dry Times

Take home messages

1. Manage ewes according to condition score
2. Pregnancy scan to manage ewes according to lambing potential
3. Preferentially feed twin-bearing ewes and lamb in smaller mobs in well sheltered paddocks
4. Sell low priority stock at weaning. Current wool, meat and feed prices mean it will most likely pay to feed ewes
5. Ewes that fail to rear in their first two attempts are likely to repeat this behaviour in subsequent lambings
6. Understand the nutritional requirements of different classes of stock
7. Understand the nutritional value of different feeds

Best practice indicators

- Wean lambs at 14 weeks (with a 5 week joining) after imprint feeding
- Weaning weight should be 45% of Standard Reference Weight
- Condition score ewes at weaning. Differentially feed if required
- Condition score ewes at least 6 weeks prior to joining. Aim for condition score 3 at joining
- Pregnancy scan ewes for multiples and allocate feed resources accordingly
- Identify ewes that fail to conceive and cull if twice dry (some choose to cull if scan dry at all)
- Wet and dry ewes at lamb marking and identify failed to rear ewes – and manage
- Lamb twin bearing ewes in smaller flocks and in more sheltered paddocks

Notes

Things I can do at home:

WHERE TO LEARN MORE:

Websites:

www.makingmorefromsheep.com.au

Workshops and Learning Programs:

- Lifetime Ewe Management:
<http://rist.edu.au/lifetime-ewe-management>
- Bred Well Fed Well:
www.mla.com.au/bredwellfedwell
- Realising Performance Potential: www.wool.com/rpp
- Profitable Grazing Systems:
www.mla.com.au/profitablegrazingystems
- Winning With Weaners: www.wool.com/www

Publications and Tools:

- Making More From Sheep manual – Module 10 – Wean More Lambs www.makingmorefromsheep.com.au/wean-more-lambs/index.htm
- More Lambs More Profit: www.mla.com.au/publications
- Lambing Planner: Making More From Sheep Module 10 – Tool 10.2
- Lambing Planner App: www.agric.wa.gov.au/management-reproduction/lambing-planner
- Condition Score Card – call the AWI Helpline on 1800 070 099 to order your copy
- Feed Budget Tables – call the AWI Helpline on 1800 070 099 to order your copy
- Drought Feed Calculator app: available for Apple and Android
- Drought Feeding and Management of Sheep:
www.wool.com/drought
- Rainfall to Pasture Growth Outlook tool: www.mla.com.au/tools
- Feeding and Managing Sheep in Dry Times:
www.wool.com/droughtresources
- Feed on Offer Library: www.feedonofferlibrary.com
- Pasture Trial Network: www.mla.com.au/extension-training-and-tools/tools-calculators/pasture-trial-network/
- Managing Sheep in Droughtlots:
www.wool.com/droughtresources
- Which Sheep Do I Keep?: www.wool.com/droughtresources

Session 2A: Maximising Lamb Performance (Cooma)

Take home messages

1. At current input costs and lamb prices, nearly any strategy to finish lambs rather than sell as stores will be profitable
2. Use forage brassicas, lucerne or specialist pastures to boost feed production and finish lambs quicker
3. Early weaning of lambs onto fodder crops or creep feeding will maintain growth rates in poor years
4. Use feed budgeting to increase fodder utilisation and productivity
5. Use supplementation to fill feed gaps post weaning

Best practice indicators

- Achieve lamb growth rates approaching 300g/hd/day.
- Assess pastures/fodder crops in terms of kilograms dry matter per hectare.
- Conduct feed budgets to plan feed requirements. Match feed supply to animal demand.
- Wean early or creep feed in poor seasons.

Notes

Things I can do at home:

WHERE TO LEARN MORE:

Websites:

www.makingmorefromsheep.com.au

www.grainandgraze3.com.au

Workshops and Learning Programs:

Bred Well Fed Well: www.mla.com.au/bredwellfedwell

Lifetime Ewe Management:

<http://rist.edu.au/lifetime-ewe-management>

Producer Demonstration Sites:

www.mla.com.au/producerdemonstrationsites

Realising Performance Potential: www.wool.com/rpp

Profitable Grazing Systems: www.mla.com.au/profitablegrazingsystems

Winning With Weaners: www.wool.com/www

Publications and Tools:

Making More From Sheep manual - Module 3 – Market Focused Lamb and Sheepmeat Production

Making More From Sheep manual - Module 6 – Healthy Soils

Making More From Sheep manual - Module 7 - Grow More Pasture

Making More From Sheep manual - Module 8 - Turn Pasture into Product

Feed Demand Calculator: www.mla.com.au/tools

Weed Removers Pasture Improvers:

www.mla.com.au/implementation

Stocking Rate Calculator: www.mla.com.au/tools

Rainfall to Pasture Growth Outlook tool: www.mla.com.au/tools

Feed Budget and Rotation Planner: www.mla.com.au/tools

Feed on Offer Library: www.feedonofferlibrary.com

Feed Budget Tables – call the AWI Helpline on 1800 070 099 to order your copy

Phosphorous Tool: www.mla.com.au/tools

Pasture Trial Network: www.mla.com.au/extension-training-and-tools/tools-calculators/pasture-trial-network/

Pasture Improvement Calculator: www.mla.com.au/tools

Lamb Growth Predictor: www.sheepcrc.org.au/resources/psm-software--lamb-growth-predictor.php?rt=1417564019

Feed cost calculator: <http://www.dpi.nsw.gov.au/animals-and-livestock/nutrition/costs-and-nutritive-value/feed-cost-calculator>

EVERGRAZE: www.evergraze.com.au

ASKBILL: www.askbill.com.au

Speaker contact:

Doug Alcock: doug@grazprophet.com.au • 0411 139 594

Session 2B: Maximising Weaner Performance (Gunning & Cowra)

Take home messages

- 1. Creep feeding is an efficient way to supplement lambs prior to weaning
- 2. Grazing winter cereals can help fill a feed gap and provide high quality, palatable feed
- 3. Fodder crops such as brassica and canola provide a good quality feed source but require careful management
- 4. Monitor weaner health carefully
- 5. Know stock feed requirements. Use sown feed options and supplementation to fill feed gaps post weaning
- 6. Consider the use of containment areas when paddock feed is limited
- 7. Always do the sums on any feeding decisions

Best practice indicators

- Prepare lambs for weaning by imprint feeding
- Use best weaning practice according to seasonal conditions
- Conduct feed budgets to plan feed requirements. Match feed supply to animal demand
- Alternative feeding strategies such as containment feeding are implemented when necessary
- Select sires with superior ASBVs for early growth, eye muscle depth and fat cover
- Always do the sums on any feeding decisions

Notes

Things I can do at home:

WHERE TO LEARN MORE:

Websites:

www.makingmorefromsheep.com.au

www.grainandgraze3.com.au

Workshops and Learning Programs:

Bred Well Fed Well: www.mla.com.au/bredwellfedwell

Lifetime Ewe Management:

<http://rist.edu.au/lifetime-ewe-management>

Producer Demonstration Sites:

www.mla.com.au/producerdemonstrationsites

Realising Performance Potential:

www.wool.com/rpp

Profitable Grazing Systems:

www.mla.com.au/profitablegrazingsystems

Winning With Weaners: www.wool.com/www

Publications and Tools:

Making More From Sheep manual - Module 3 – Market Focused Lamb and Sheepmeat Production

Making More From Sheep manual – Module 7 - Grow More Pasture

Making More From Sheep manual – Module 8 - Turn Pasture into Product

Feed Demand Calculator: www.mla.com.au/tools

Weed Removers Pasture Improvers: www.mla.com.au/implementation

Stocking Rate Calculator: www.mla.com.au/tools

Rainfall to Pasture Growth Outlook tool: www.mla.com.au/tools

Feed Budget and Rotation Planner: www.mla.com.au/tools

Feed on Offer Library: www.feedonofferlibrary.com

Phosphorous Tool: www.mla.com.au/tools

Pasture Trial Network: www.mla.com.au/extension-training-and-tools/tools-calculators/pasture-trial-network/

Pasture Improvement Calculator: www.mla.com.au/tools

Lamb Growth Predictor: www.sheepcrc.org.au/resources/psm-software--lamb-growth-predictor.php?rt=1417564019

Feed cost calculator: <http://www.dpi.nsw.gov.au/animals-and-livestock/nutrition/costs-and-nutritive-value/feed-cost-calculator>

EVERGRAZE: www.evergraze.com.au

ASKBILL: www.askbill.com.au

LAMBPLAN and MERINOSELECT: www.sheepgenetics.org.au

Best Practice for Intensive sheep finishing: www.mla.com.au/intensive-sheep-and-lamb-finishing-systems

Speaker contact:

Geoff Duddy: geoff@sheepsolutions.com.au • 0427 007 490

Session 3: Measuring to Manage

Take home messages

1. Have clear enterprise production goals to guide management strategies and implementation of technology
2. Do partial budgets on infrastructure investments
3. Individual animal management can increase flock productivity and need not be complex

Best practice indicators

- SMART goals have been defined and drive the management strategy for enterprise improvement
- Cost of production is known and the business is benchmarked to identify areas for improvement
- An implementation plan has been developed to clearly define how individual animal management and technology will be cost effectively implemented in the business

Notes

Things I can do at home:

WHERE TO LEARN MORE:

Websites:

www.makingmorefromsheep.com.au

www.sheepcrc.org.au

Workshops and Learning Programs:

eID workshops: www.sheepcrc.org.au/industry/service-providers/eid-workshops.php

Realising Performance Potential: [www.wool.com/ rpp](http://www.wool.com/rpp)

AWI woolgrower networks: www.wool.com/networks

Publications and Tools:

Making More From Sheep manual – Module 1 - Plan for Success

Lamb Cost of Production calculator:

<http://tools.mla.com.au/cop/>

Wool Cost of Production calculator:

<http://www.makingmorefromsheep.com.au/plan-for-success/calculator/wool-calculator-online.htm>

Sheep – the simple guide to making more money with less work:

<http://www.makingmorefromsheep.com.au/announcements/sheep-the-simple-guide-to-making-more-money-with-less-work>

Speaker contact:

Hamish Dickson: hamish@agripartner.com.au • 0427 446 499

Session 4: Your Sheep Health is Your Wealth

Take home messages

1. Get animal health right – our industry's future relies on farmers taking care of animal health and welfare issues
2. Worms cost each Australian sheep farmer on average \$28,000/year, through lower growth and reproduction rates and reduced wool production and lactation
3. Check for lice; do 20 partings per side; treat all sheep with an effective chemical applied meticulously
4. Talk to your vet about appropriate analgesic use
5. Have a written biosecurity plan and check it regularly
6. Monitor ewe body condition score at least 4 times per year; draft on BCS not age; feed to maintain ideal score
7. Vaccinate all lambs twice (at marking and weaning) and annually vaccinate ewes

Best practice indicators

- Only use effective drenches (>95% efficacy). Test drenches to check their efficacy
- Use combination drenches in preference to single active drenches and short instead of long-acting drenches. Rotate drench groups (active ingredients)
- Monitor worm egg counts and drench when necessary – do not drench according to the calendar.
- Use non-chemical means of worm control such as paddock spelling, rotation, alternating with cattle, making hay
- Feed sheep for resilience and select sheep for worm resistance - use ASBV for WEC when choosing rams
- Inspect rams 12 weeks before joining - cull rams with lumps in their reproductive organs and blood test rams for *O. brucellosis*.
- Know the health risk of introduced stock including drench resistance status, vaccination status, lice and footrot status

Notes

Things I can do at home:

WHERE TO LEARN MORE:

Websites:

www.makingmorefromsheep.com.au – Module

ParaBoss www.paraboss.com.au

Workshops and Learning Programs:

Lifetime Ewe Management: <http://rist.edu.au/lifetime-ewe-management>

Profitable Grazing Systems: www.mla.com.au/profitablegrazingsystems

Producer Demonstration Sites: www.mla.com.au/producerdemonstrationsites

RAMPing Up Repro: www.wool.com/rur

Winning With Weaners: www.wool.com/www

Lamb survival workshop – AWI’s woolgrower extension networks run regional workshops in lambing season. Check your state’s website for upcoming events in your area:

www.wool.com/networks

Publications and Tools:

Making More From Sheep manual - Module 11 – Healthy and Contented Sheep

ParaBoss: www.paraboss.com.au

Pain Relief – Frequently asked questions www.wool.com/on-farm-research-and-development/sheep-health-welfare-and-productivity/sheep-health/breech-flystrike/welfare-improved-surgery/

Biosecurity Plans www.mla.com.au/what-do-producers-need-to-do-to-meet-the-new-lpa-requirements/meet-biosecurity-requirements/

Flystrike Assist App: www.agric.wa.gov.au/livestock-parasites/flystrike-management-tools

MERINOSELECT and LAMBPLAN: www.sheepgenetics.org.au

AWI woolgrower networks: www.wool.com/networks

Managing Breech Flystrike: www.wool.com/flystrike

Planning for a Non-Mulesed Merino Enterprise: www.wool.com/flystrike

Speaker contact:

Matt Playford: matt@dawbuts.com • 0448 116 464

Bruce Watt: bruce.watt@lrs.nsw.gov.au • 0428 935 559

Session 5A: Extending Positive Price Cycles (Cooma & Gunning)

Take home messages

1. Profit potential on well managed farms is currently strong
 - a. Very strong pricing and demand for red meat and wool
 - b. Productive businesses with low cost of production are enjoying excellent margins
2. Replicating Top 20% performance is the key to long term wealth creation. This requires
 - a. Optimising gross margins
 - b. Developing a low-cost business model
 - c. Building a capable team
 - d. Managing risk
3. Invest wisely now to maintain profit margins and business strength long term
 - a. Skill building
 - b. Debt principle reductions
 - c. On-farm productivity enhancements to increase gross margins
 - d. Targeted infrastructure investments that reduce labour and decrease long term cost of production
 - e. Provisioning for independent retirement and future succession

Best practice indicators

- Retain 30% of turnover as net profit before tax
- Adult fleece value >\$60
- Average lamb turnoff >52kg liveweight
- Stretch target of \$600,000 in turnover per full time labour unit
- Robust reproduction rates according to flock type
- Objective and rational allocation of capital
 - Ideally to projects with Internal Rate of Return (IRR) > 15%
- Robust and early provisioning for independent retirement
- Provisioning early for smooth and timely succession

Notes

Things I can do at home:

WHERE TO LEARN MORE:

Websites:

www.makingmorefromsheep.com.au

www.mla.com.au/businessmanagement

Workshops and Learning Programs:

BusinessEDGE: www.mla.com.au/edgenetwork

Producer Demonstration Sites: www.mla.com.au/producerdemonstrationsites

AWI woolgrower networks: www.wool.com/networks

Profitable Grazing Systems: www.mla.com.au/profitablegrazingsystems

Publications and Tools:

Making More From Sheep manual – Module 1 – Plan for Success

Making More From Sheep manual – Module 4 – Capable and Confident Producers

More Lambs More Profit: www.mla.com.au/publications

Lamb Cost of Production calculator:

<http://tools.mla.com.au/cop/>

Wool Cost of Production calculator:

<http://www.makingmorefromsheep.com.au/plan-for-success/calculator/wool-calculator-online.htm>

Woolcheque:

www.wool.com/market-intelligence/woolcheque/

Speaker contact:

Simon Vogt: svogt@ruraldirections.com • 0407 959 836

Session 5B: Effective Integration of Livestock and Cropping Systems (Cowra)

Take home messages

1. Don't select multiple enterprises based on the principle of diversification alone.
 - a. The business case to operate multiple enterprises needs to be strong
 - b. The greater complexity of multi-enterprise businesses can compromise implementation ability and achieving peak labour productivity
 - c. Multi-enterprise can increase internal risk
2. Good integration between livestock and cropping enterprises requires a high level of implementation skill.
 - a. Consideration must be given to effective integration to optimise returns
 - b. Hitting the key profit drivers in all chosen enterprises is critical
 - c. Eliminating any conflict between enterprises is very important
3. The principle of simplification regularly pays by assisting with:
 - a. Achieving peak labour productivity
 - b. Focus and implementation
 - c. Mindset and well being

Best practice indicators

- Retain 30% of turnover as net profit before tax
- All fodder and feed crops sown by the end of March
- Seeding consistently completed by the 20th May
- Legume based pasture phase where possible
- Adult fleece value >\$60
- Average lamb turnoff >52kg liveweight
- Variable costs less than 40% of turnover
- Total Plant Machinery & Labour (TPML) costs less than 30% of business turnover, ideally 25%
- \$600,000 in turnover per full time labour unit
- Lambing percentage near 120% in dual purpose flocks

Notes
