



The Land of Extremes

In South Western Victoria we certainly felt the full impact of this onerous description of our great country; both the good and the bad.

I marvel that we can experience drought conditions, severe feed shortages for our cows over about ten months, then in a space of six to eight weeks, we have the opportunity to harvest, in excess of grazing needs, sufficient silage and hay to have fed our cows over the previous ten months of feed shortage. This exact scenario was the driver of my September article "Silage is a Profit Driver", or at least the massive potential we have to harvest and store very significant volumes of pasture through spring as silage.

January is a good time in our dairy farming calendar to review the year just past and glean from our experiences. All experience should build wisdom to our betterment in future farm management. When I was young I thought the exact same scenarios did not repeat themselves; but that was a very shallow understanding. The outward manifestation of any scenario can disguise the precipitating conditions which bring about our demise, and can be summed up in a word – planning, or lack of it.

So what has the famine/feast situation of the last twelve months taught us? Economics of dairying over the last seven years have benefited herd size increases with increasing reliance on bought in forage. This can be done, as I stated in an article earlier this year, provided you have the financial and emotional capacity to chop herd sizes as economics demand. For most of us, becoming self-sufficient in forage is sounder wisdom. The old saying "hay in the shed is money in the bank" is correct in principle, but needs adjusting for today's nutritional requirements of our cows.

This leads into our greatest potential, silage harvest. This season has shown beyond doubt that potential harvests can be very substantial for those prepared to exploit spring growth. The variations around the district range from similar tonnages to last year, through to double last year's harvest: the variations beg the question; why?

Preparation is the key. Firstly mental, that is, attitude. Some farmers grasp the fact that we grow 60% of our total pasture in just six weeks or so. All other preparation becomes a consequence of this attitude: machinery or consultation/planning with your contractor, fertilizer, and general logistics of the harvest operation.

Summer fodder crops are another area of major variations in dry matter harvested between farms due to planning, or lack of it. I prepare feed budgets in July/August for my clients to

the goal of driving their awareness to our forage needs for the next twelve months at the most appropriate planning time. As a result, many of them had turnip/rape crops ready to graze on December 1st, just as pasture was going off. Most had finished sowing their fodder crops to supply 5 kgs DM/cow grazing through to March/April by then. A few have even responded to this past year's lessons by sowing additional areas to sorghum for more silage. Most of these crops are dry-grown.

Financial vulnerability cannot be left out of this review. The first three quarters of 2007 revealed our degree of nakedness in this area. Over the last 5 to 10 years subprime lending (borrowers who previously would not have qualified for loans) has become almost the 'norm' in the housing market. I fear it has crept into dairy farm business borrowing as well.

There are standard guidelines for debt:equity, cashflow:debt-servicing which have proven their validity of many years, and many farmers have prospered under these immutable laws of dairy economics. We have too many uncontrollable factors in our 'risk-taking' business now, to ever entertain the 'credit card/gotta have it now' financial culture in our dairy businesses, so widespread in Australia today. The 'take home message' – there has never been a better opportunity to readjust our financial foundations, than under the current Milk Over Feed Cost scenario.

Consistent milk production; by this I mean production inline with genetic potential for a standard production curve. I have seen in 2007 production curves ranging from flat, to curves indicating higher milk production in mid to late lactation than fresh cow production. We all know why, no feed or very poor quality feed during the first half of lactation. There is not just a high cost to this production curve, but also in cow health which has its own, often subtle, cost. Many farms would currently have the fodder reserves to prevent this happening next lactation, so why didn't we last lactation.

The first step to increasing forage production on-farm is obviously improving pasture production. Many farms have suffered considerable loss of plant density over the long dry months of 2007. Plant density can never be separated from fertilizer. There is no point to apply abundant fertilizer if 40% of the ground cover is barley grass or cape weed. Spraying out weeds in autumn, direct drilling all paddocks not being renovated with annuals to increase desirable plant density needs to be met with optimum fertilizer to justify the expense of either. I am not an agronomist, but I do observe many pastures over many farms and ask questions on fertilizer use. I am convinced from this that small amounts (120 kgs/Ha) monthly of complete fertilizer grows the best pastures, quantity and quality, that I see. I think cow health benefits from this too.

Issues relating to preparation of cows for improved lactation I will address over the next three months. There has never been a better time in recent years to make profit from dairy farming, due to current milk prices, for those who plan and prepare.