

# Macalister Demonstration Farm

PO Box 87, MAFFRA, VIC 3860

Ph. (03) 5145 1650 Fax (03) 5145 1650

Email: [mdf@wideband.net.au](mailto:mdf@wideband.net.au) Web: <http://mdf.mistro.ag/>

## NEWSLETTER 13

Monday, JAN 12th, 2009



Funded by  
Dairy Australia  
and your  
Regional  
Development  
Program



*Extension projects at the MDF are funded by Dairy Australia and the Gardiner Foundation with support from GippsDairy.*

### A Session @ MDF

#### Coping with the step-down

- The Macalister Demonstration Farm's approach to the step-down
- A discussion of all options

11am to 1 pm Wednesday 21st January 2009

BBQ lunch supplied

Presented by Frank Tyndall, Macalister Demonstration Farm, and Jason McAinch, DPI

For further information please call DPI Maffra 5147 0800

#### Yellow Rag Bit

Jason McAinch Dairy Advisor DPI Maffra

At this time of year the difference between a strong pasture growth rate and average pasture growth rate is irrigation and, as always, combined with grazing techniques. Focusing on irrigation is critical. The plant needs water for cooling, cell structure, movements of nutrients, cell function and cell growth. Using evaporation data from a weather station or from tensiometers to decide on irrigation interval may assist in growing more pasture.

Research continues to show that irrigation intervals that maintain the soil in ideal moisture level will grow more feed. Keeping the soil between the refill point and field capacity allows optimum plant growth. For irrigation systems that allow you to control application rates, more frequent small applications are better off than larger applications less often.

With flood irrigation this balancing act can be a little more difficult but the principle is similar, keep the moisture level in the optimum range as much as possible. The difficulty of flood, in "heavy" soils is avoiding water logging and in "lighter" soils is minimising deep drainage.

Focus on irrigating well, no matter what irrigation system you have, to ensure you grow as much home grown feed as possible.

## **The following are the Macalister Demonstration Farm's plans due to the milk price step-down.**

**Whole business settings:** Who knows what the milk price will be next July, but the MDF is in dairying for the long term. For now, any planned capital expenditure will be postponed. We have only one large loan, so there is little to gain from re-structuring finances, but paying interest only, for a time, may be possible. Most dairyfarmers will now expect to work as hard with less reward. The MDF uses a formula that means our farm managers will receive a lesser bonus than anticipated.

**Non-feed inputs:** Inputs that achieve cow health and milk quality will be maintained; even at February's 24 cents a litre, the risk of losing more than the cost saved is high. Breeding and mating inputs are already spent. Herd testing is not a huge expense and does help with mastitis and cow culling decisions. The cost of milking may be reduced if cow numbers are reduced (see later). Essential repairs and maintenance inputs will have to be continued. It is difficult to reduce administration, rates, and insurance costs. A difficult decision might be to reduce the number of replacements, a short term cash improver that creates problems in the long term.

**Feed inputs:** The big picture feeding decisions are how many cows to milk, with what calving pattern. Both are very complex and long term decisions, based on many issues and future judgements. A strong determinant of stocking rate per hectare is how much grass is available per hectare. Good grass production is still possible in the Macalister Irrigation District, so we will generally hold the current stocking rate, and a spring calving pattern. However, any cow that ticks two boxes, that is, already on the cull list and currently not milking well, will go.

The MDF pasture consumption, calculated only for the area actually in production, is still on target to reach the original 16 tonne. But months of no production from the sub-surface drip area has lost 0.5 tonne of grass from the whole farm. Because we have a lot of recently resown areas, planned pasture renovation will be postponed. With plenty of irrigation water available, it will be applied frequently and fast, with rapid drainage. Fertiliser and fuel prices are falling. We will continue with high fertiliser use, applying it to each paddock immediately after grazing, uniformly over the whole paddock, avoiding banding. Good grazing management is powerful and cheap. Paddocks will be rested 30 days through summer, stretching out to 60 days by July. Careful grazing allocation aims for consistent pasture intake for the cow and consistent residues in the paddock. The residue will be controlled by careful use of supplements (see later), and occasional mowing. High pasture consumption, even with high (but careful) use of all the growing inputs, will mean a pasture price that returns a good margin, even at 24 cents for milk.

The stocking rate decision is long term and complex, making it difficult to know the optimum, but it will be reduced by about 5%. Each cow's daily non-feed cost averages \$3.00 per day. Some of the \$3.00, for example milking costs, are removed when a cow is culled, but in the shorter term much of it cannot be reduced, but is spread over the remaining cows. Given the stocking rate position taken, we still need to source a lot of feed at a reasonable price. Most of the feed will be pasture. Pasture growing inputs, irrigation water, fertiliser, and grazing, used with care and knowledge on how they all work, will be maintained at high levels to deliver a lot of food at a reasonable price.

The other source of feed is more expensive purchased supplements, particularly grain. Given the stocking rate position taken, **IF** grain returns a good milk response, there will be a margin, that is, more money returned by feeding it rather than not feeding it. A good response would be above 1.25 litres per kg of grain. There is not a fixed response to grain, such as 1 litre per kg of grain. The response can be zero if the grain is completely wasted, or higher than 1.5 litres if little is wasted. At the lower milk prices, minimising waste becomes far more critical.

A good response from any input is more likely if used with care, knowledge of how it works, minimising waste. Getting a good milk response from grass and grain is embodied in the Feeding Pastures for Profit principles, making the judgement often, in each unique farm circumstances of current grass available and ability of the cows to eat.

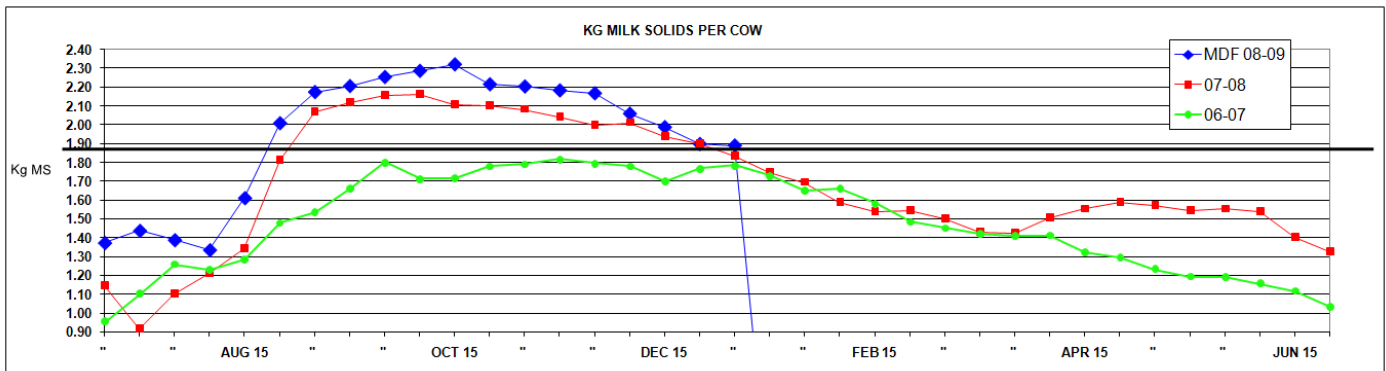
Grain can be wasted in transport, storage, at feed out, if it's poor quality, if not in a balanced ration, if changed too rapidly, if fed to low producing cows, to cows changing body condition too much, or if it causes good milking grass, above a residue of 5 cm, to be left ungrazed in the paddock.

There is also a longer term aspect to feeding grain. The last kilogram of grain fed to a cow often has a lowered response and may not be profitable. However if removed, the second last kilogram of grain becomes the last, and if milk production and appetite falls, it becomes the one with the poor response.

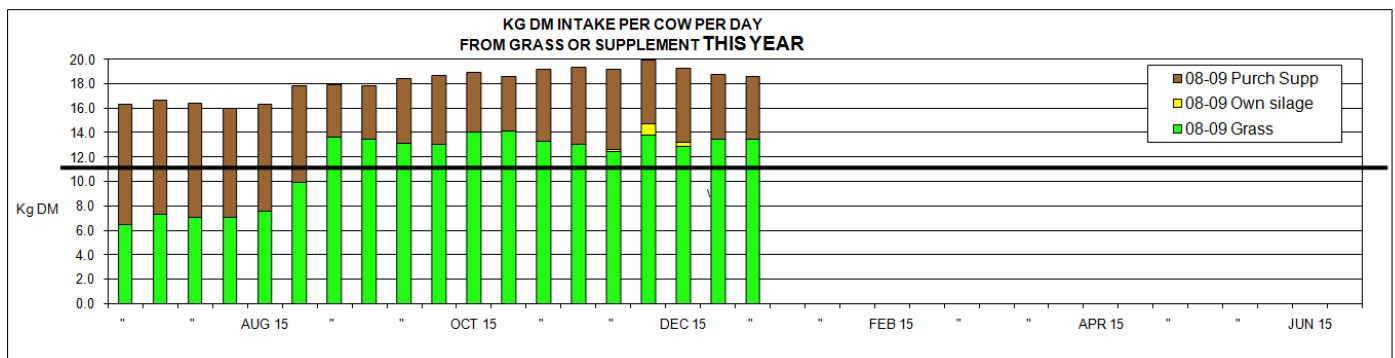
If the cows can eat all the good grass we grow, and still eat more grain without much waste, they will get it. In difficult times the natural reaction is to cut costs. But once the big picture of the business and stocking rate is set, careful use of inputs may not make the whole farm profitable, but be more profitable than not using them.

Summarising, there will be a much lower profit in the short term. Longer term milk prices are unknown, but the fundamental structure of the business, the capital investment, the people involved, will be taken forward, getting through this difficult period in the best way possible. Given that chosen position, most inputs will be maintained, because using them, with care and knowledge on how they work, will return more than they cost.

## Macalister Demonstration Farm Production and Profitability Graphs



Milk production per cow has been falling faster than we would like, falling from a month ago from 2.03 to 1.87 kg MS now. The horizontal black line is 1.87 kg MS/cow, which is the average production required to meet the target of 560 MS per cow over a 300 day lactation.



Compared to a month ago the cows are eating about the same grass each, but it must be a bit lower quality, and we are feeding less concentrates and no mineral/buffer pellets. We plan to feed the pellet again, and a little of our own silage, watching that they eat all the grass we have, hoping to hold their current production.

Frank Tyndall, 0409 940 782 [ftyndall@ozemail.com.au](mailto:ftyndall@ozemail.com.au)

### **Sub-surface Drip Irrigation Project update**

The first grazing is now underway as we iron out some early problems and come to understand the best way to irrigate to maintain soil moisture levels. We can already see a need for a very different approach on the red soil as compared to the duplex soil where banding over the drip tapes is already evident.

The project launch date is yet to be confirmed with the Minister expressing an interest in attending – watch the local paper for details over the next fortnight.

–

POSTAGE  
PAID  
AUSTRALIA

**SENDER:**

Macalister Demonstration Farm  
PO Box 87 **MAFFRA** VIC 3860