

Macalister Demonstration Farm

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NEWSLETTER 37

Monday August 2nd 2010



Extension projects at the MDF are funded by Dairy Australia, Sustainability Victoria and Department of Agriculture, Fisheries and Forestry, with support from GippsDairy.

Celebrating 50 years!!

MDF AGM & Annual Field Day

Early notice to put in your diary – the AGM & Annual Field Day celebrates 50 years of the Macalister Demonstration Farm.

Come and celebrate the history and the achievements of this unique initiative.

Thursday, October August 28th 2010, 10.30 am-12 pm

Lunch provided.

Yellow Rag Bit

Bree Walshe, Dairy Advisor DPI Maffra

Recently the East Gippsland YDDP group with DA hosted a day on '**Calves – how to destroy and dispose of humanely**' presented by *Tristan Jubb*, a veterinarian from Livestock Health Systems Australia. Rearing calves is a major part of the dairyfarming business and whilst destroying calves is not pleasant, it is often necessary. Here are the **key points** from the day **that highlight the legalities**.

What are the laws on the humane destruction of calves that I must comply with?

Standards for humane destruction of cattle (from Australian Animal Welfare Standards and Guidelines – Land Transport of Livestock, edition one, December 2008)

- Please Note: Standards are the requirements that must be met under law for livestock welfare purposes. Standards use the word 'must'. Non-compliance with one or more standards will constitute an offence under the law.
- SA6.1 humane destruction methods must result in immediate loss of consciousness followed by death while unconscious.
- SA6.2 Humane destruction must be carried out:
 - On moribund livestock, by a competent person or under direct supervision of a competent person, using a recommended method for the species, at the first opportunity.
- SA6.3 Where a competent person is not immediately available to humanely destroy an animal, a competent person must be contacted to carry out the procedure at the first opportunity.
- **SA6.4 A person humanely destroying an animal must take reasonable action to confirm the animal is dead or to ensure death.**
- SA6.5 Firearm use must be in the frontal or poll positions.
- SA6.6 Captive bolt use must be: in the frontal or poll positions, accompanied by appropriate restraint, applied in contact with the skull.
- **SA6.7 Blunt trauma to the brain must only be used on piglets up to 15kg liveweight or the following species if less than 24hours old – alpacas, camels, *cattle*, deer, goats and sheep.**

Guidelines for humane destruction of cattle (from Australian Animal Welfare Standards and Guidelines – Land Transport of Livestock, edition one, December 2008)

- Please Note: Guidelines are the recommended practices to achieve desirable animal welfare outcomes. The guidelines complement the standards. They should be used as guidance. Guidelines use the 'should'. Non-compliance with one or more guidelines will not constitute an offence under law.

- GB4.17 Recommended methods of humane destruction include:
 - For calves – firearms, captive bolt, or blunt trauma; however, blunt trauma should only be used when there is no other recommended option for humane destruction, and can only be used in calves that are less than 24 hours old.
- GB4.18 The preferred option for humane destruction is a firearm in the frontal position. For calves, a rifle should deliver at least the muzzle energy of a standard 0.22-long rifle cartridge.
- GB4.19 If necessary, use of blunt trauma on newborn young of cattle less than 24 hours old should be followed by bleeding-out or another technique while the animal is unconscious, to ensure death.
- GB4.20 Cattle should be bled out using the chest stick method in preference to slitting the throat (neck cut).

Confirming Death

The five finger head check – signs and method of assessment

Sign assessed	Finger to use and method of assessment
1. No corneal reflex	Little finger – touch the cornea (the glassy part of the eye ball). No blink should occur. Corneal reflex is also known as the <i>blink</i> reflex
2. Pupil fixed and dilated	Ring finger – part the eyelids with ring finger and thumb if closed – in stunned animals the pupil will usually contract into small black spot in response to the light entering the eye.
3. No jaw tone	Middle finger – part the jaws through the side of the mouth using middle finger and thumb. There should be no resistance (jaw tone).
4. Flaccid tongue	Index finger – the tongue often flops out when the jaws are opened to test for jaw tone. The tongue should be flaccid when tugged.
5. No rhythmic breathing	Thumb – feel for air movement from the nostrils on the moistened palm of the hand and thumb.

This is just a brief snapshot of the information presented. For clarification of the above points I strongly recommend you visit the following websites:

DA Information Note - www.dairyaustralia.com.au/farm/Animal-Health/Options-for-non-replacement-calves.aspx

Australian Animal Welfare standards and Guidelines - Land transport of livestock – DAFF

www.animalwelfarestandards.net.au/Landtransport.pdf

DPI AgNote – <http://new.dpi.vic.gov.au/notes/agg/animal-health/ag1065-humane-destruction-of-non-viable-calves-less-than-24-hours-old>

While every attempt has been made to ensure the information above is correct, it is the readers responsibility to ensure their legal obligations are met. This information is supplied as information and DPI does not take responsibility for any errors.

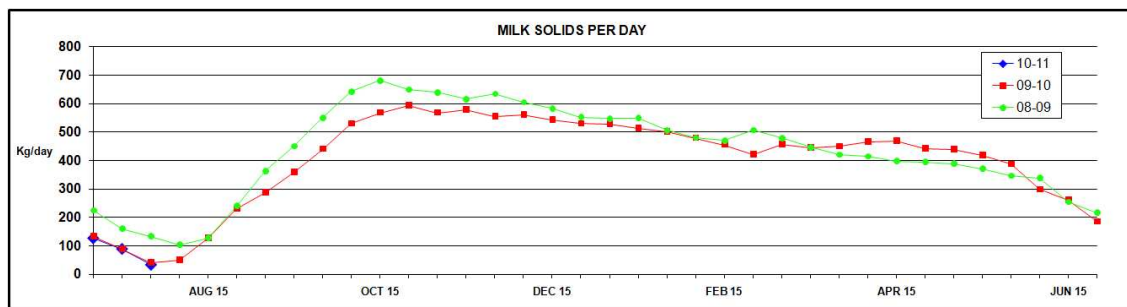
MDF Budget Statement for 2009/2010 and Budget Forecast for 2010/2011.

The previous three years financial and production summary is included for comparison.

YEARLY PERFORMANCE	MDF	MDF	MDF	MDF	MDF	
YEAR	2006/07	2007/08	2008/09	2009/10	2010/11	
Irrigated hectares	65	68	68	73	73	ha
Milkers	350	305	290	280	300	hd
Stocking rate	5.4	4.5	4.3	3.8	4.1	hd/hectare
Litres/cow	6,202	6,942	6,898	6,666	6,932	litres/cow
MS/cow	468	529	541	519	540	kg/cow
Milk Price (cents per litre)	\$0.33	\$0.51	\$0.36	\$0.34	\$0.41	\$
Milk Price (\$ per kg solids)	\$4.31	\$6.65	\$4.56	\$4.39	\$5.27	\$
Total Receipts \$	\$722,926	\$1,107,134	\$782,821	\$688,453	\$903,639	\$

The MDF is lifting cow numbers for next year, back up to 300, and aiming for the same milk production per cow achieved in 08/09, that is, close to 7,000 litres per cow. Milk production fell back in 09/10 due to less grass consumed and lower use of supplements in the last 6 months of 08/09 and in spring of 09/10.

The anticipated milk price for this season is 41 cents per litre. The farm has chosen the Traditional Payment Option. We did reach 40% of production in the second-half of last season so the Domestic Option looked attractive. But we plan to return to normal first-half of season production levels, making it difficult to achieve 40 % in the second-half. The graph below shows this milk production pattern for the last two years.



In 2009/10 spring milk production was lower than normal and autumn milk production higher.

YEAR	2006/07	2007/08	2008/09	2009/10	2010/11	
PURCH'D FEED / MILKER	3.8	2.7	2.9	2.9	2.6	t DM/cow
Purchased feed \$	\$477,655	\$411,718	\$337,588	\$241,322	\$236,303	\$
Purch'd feed price /t DM (excl agist)	\$346	\$496	\$407	\$294	\$298	\$
Nitrogen (element) /hectare	246	286	288	307	345	kg /ha
Average urea price	\$463	\$746	\$960	\$616	\$598	\$/t fert
Irrigation water	388	470	490	481	491	ML
Average water price	\$78	\$52	\$62	\$57	\$56	\$/ML
Pasture consumption per ha	7.7	13.0	14.4	12.1	13.3	t DM/ha
PASTURE PER COW	1.4	2.9	3.2	2.8	3.2	t DM/cow
Grown feed \$	\$80,187	\$84,757	\$104,674	\$88,878	\$89,911	\$
Grown feed spend/ha	\$1,234	\$1,246	\$1,539	\$1,218	\$1,232	\$/ha
Grown feed price	\$159	\$96	\$107	\$100	\$93	\$
TOTAL FEED \$	\$557,842	\$496,475	\$442,262	\$330,200	\$326,215	\$
All feed tonne per cow	5.2	5.6	6.0	5.7	5.8	t DM/cow
Feed efficiency	90	94	90	91	92	kg MS/t DM

In both 08/09 and 09/10, the MDF fed 2.9 tonne of purchased feed per cow, which includes purchased feed for them when run at home as dry cows. Next season, with an increase to 13 tonne of grass per hectare, the hope is to reduce the purchased feed. Having said that, we will not stick to that figure "come what may". Rather, we will play the game as we see it on the day, at the time, feeding more supplements if the cows can eat it and still get the grass residue we aim for. Budgets are plans that can be changed if the circumstance warrants it.

YEAR	2006/07	2007/08	2008/09	2009/10	2010/11	
Total Herd Costs \$	\$52,535	\$38,144	\$52,810	\$36,311	\$36,311	\$
Herd Costs/cow	\$150	\$125	\$182	\$130	\$121	\$
Total Shed Costs \$	\$23,050	\$31,399	\$26,123	\$37,837	\$37,837	\$
Shed Costs/cow	\$66	\$103	\$90	\$135	\$126	\$
Total Replacements \$	\$55,011	\$52,001	\$69,125	\$58,064	\$58,064	\$
Replacement cost/replacm'nt	\$367	\$335	\$435	\$400	\$400	\$
Total Overheads \$	\$62,257	\$28,641	\$26,652	\$18,531	\$18,531	\$
Overheads/cow	\$178	\$94	\$92	\$66	\$62	\$
Overheads/ha	\$958	\$421	\$392	\$254	\$254	\$
Total Labour Costs \$	\$112,961	\$142,194	\$125,000	\$131,029	\$146,371	\$
Labour Costs/cow	\$323	\$466	\$431	\$467	\$488	\$

We hope to keep all the herd, shed, replacements and overhead cost the same as last year, so with the increased cow numbers, these costs will be slightly lower per cow for this coming season.

YEAR	2006/07	2007/08	2008/09	2009/10	2010/11	
Margin over All Feed	\$149,241	\$575,122	\$273,905	\$308,299	\$527,470	\$
MOAF/ha	\$2,296	\$8,458	\$4,028	\$4,223	\$7,226	\$
MOAF/cow	\$426	\$1,886	\$944	\$1,100	\$1,759	\$
Earnings bef Interest & Tax	-\$188,730	\$274,215	\$7,147	\$36,182	\$240,011	\$
EBIT/ha	-\$2,904	\$4,033	\$105	\$496	\$3,288	\$
EBIT/cow	-\$539	\$899	\$25	\$129	\$800	\$
TOTAL FINANCE payments	\$42,000	\$42,000	\$42,768	\$39,768	\$39,768	\$
Cash Surplus/Deficit \$	-\$182,730	\$276,281	-\$12,721	\$34,914	\$238,743	\$
Return on Assets (%)	-10.3%	14.9%	0.3%	1.5%	10.2%	%

Last season a small profit was achieved, however, we anticipate the margin over all feed will improve markedly for the season coming. A handy profit (EBIT - Earnings before Interest and Tax) is indicated in the 2010/2011 budget, getting near the profit made in 2007-08.

Searching for Part 2 of the Sub-surface Drip Irrigation Season Update? Look for it in the next newsletter.

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