

## **Macalister Demonstration Farm**

### **Projects on the farm are funded by GippsDairy, HICO and Genetics Australia**

#### **Macalister Demonstration Farm Update 407 (Week ending July 31st , 2015)**

##### *What's been going on at the MDF?*

The budget process has been completed by the Focus Farm Support Group for the recently commenced 2015/16 season. This has been a contentious process, with the farm having completed a season with only a slightly positive cash flow position, and the obvious cash deficit for the first few months of the season posing a challenge for the Board. There has been extremely valuable input from most of the Support Group to test the impact of higher cow numbers, lower cow numbers, more purchased grain and fodder, less purchased grain and fodder, increased pasture consumption and reduced costs to make the budget not only balance but to generate a cash surplus for the year.

The parameters set by the group have been to use the opening milk price of \$5.45/kgMS on a Traditional payment system as step ups are not guaranteed; grain price of \$400/t average for the season; pasture consumed of 13tDM/ha; existing labour costs as the structure is in place and this cannot be lowered! Most other costs and inputs were debated and thrown around amongst the group.

The decision was made that cow numbers would be high for the first half of the season, to be reviewed at Christmas time depending on the season, water allocation, milk price and input prices. There are around 310 to be milked in this first half of the year at an effective stocking rate of 4.25 cows/ha. Grain used will be straight wheat, crushed on farm, with no additives if it can be avoided but additive would be used if required to supply buffers, calcium, magnesium and other trace minerals. Feed rates would most likely remain at or below 5kg/cow/day to hopefully avoid the need for the additive and to push high levels of pasture consumption. With a milk price to grain price ratio of no better than 1:1 for spring (a standard litre of 4.15% fat and 3.3% protein is worth 36.8c/litre and grain is \$360/t in the silo), then chasing marginal milk may be futile this season- at least at the start of the season!

The end result is a projected first half of the season cash deficit of \$46,000. This is no great surprise given calving doesn't start in earnest until 10<sup>th</sup> August and the farm is entirely seasonal calving. The milk price for this first half of the season is \$5.06/kgMS and grain is expected to average \$380/t maximum.

At this stage it is expected that the second half of the season will see a reduced stocking rate, designed to feed grass at 12kgDM/cow/day matched to growth rate averages and predictions, to minimise the use of fodder and/or fibre replacements such as Almond hulls and hay. Numbers will be reduced to a level that will not impact on next season's cow numbers given replacements on hand. In other words, culling will take place early, unless the milk price lifts considerably, grain drops considerably or fibre becomes suddenly cheap and readily available, none of which I can see happening in a hurry!

And what's happening on the farm right now?

The heifers are in the throes of calving, the dry cows returned from agistment on the 31<sup>st</sup> July, pasture allocation to dries on the farm, springers and milkers (40 late calvers and a few fresh early calvers) totals 1.2ha/24 hours, although with the 120 dries returning, this has increased slightly to around 1.5ha/24 hours or a 48 day round. Dries are cleaning up long residuals left by milkers. There is one bale per day of dry cow hay being fed to dries and heifers, and the calving mob are being lead fed on 3kg lead feed, oaten hay, a strip of grass and 80g/cow/day MagC. They will be closely monitored for milk fever due to their good body condition and the history of milk fever on this farm.

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