NSW DPI
A DAIRYFARMERS' NEWSLETTER FROM NSW DPI

dairynews

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EDITORIAL

Michael Ison

Livestock Officer - Dairy(Human Resource Management)

Welcome to the Spring Edition of DairyNews. The spectre of protectionism in the dairy industry has raised its head again. For a long time the international dairy market has been relatively stable with rising commodity prices and more open trade.

When the global financial crisis put the brakes on demand and declining commodity prices bottomed out, countries such as the United States and European Community responded to the pressure on local farmers by rolling out strategies to protect them.

In the EC, euros are being spent by Governments to buy up powder and butter to support the price of these commodities. The US has taken other trade measures to protect the industry there.

ABC Rural News reports; "The USDA raised dairy price supports in July by $243 million, after reactivating a key dairy export program that Australia has long criticised."

Back at home, the industry remains exposed to the vagaries of the world market and the new protectionism will only add to these woes, particularly if stockpiles of products build significantly. Those farmers supplying companies and cooperatives that have mainly domestic supply arrangements have been left relatively unscathed.

It could be argued that these suppliers, particularly in NSW, are living in an 'Indian Summer' and are probably counting the days until the reality of the market price comes home.

When so much of what happens on world markets is largely out of the control of the dairy farm business, what can be done to manage the impacts?

One thing the global financial crisis has shown is that the fundamental principles of good business remain intact. The companies that were hit hardest had questionable equity levels, cashflow and lacked the basic business controls to manage the downturn.

In any business, getting the balance right in terms of risk is critical. Agriculture is inherently risky and farm businesses must take account of that risk. To manage risk you must know the financial position of your farm.

NSW GOVERNMENT
DAIRYAUSTRALIA
Dairypathways

As business managers dairy farmers need to ask the following questions of your Dairy Officer, accountant or financial advisors;

What is our equity in this business? What is our capacity to maintain cashflow and service debtors and interest payments if the farm gate milk price drops? What are three price scenarios in the next 3 years that I can prepare my business for?

The best protection for any business against the world externally is to have sound financial practices internally. It's time to get the books in shape.

A new era dawns for Subtropical Dairy

The Dairy Australia regional development program in Queensland and Northern NSW, Subtropical Dairy moves to a skills based board following the AGM on 20th of August that approved the new constitution. The move to a skills based board is a major change heralding a new era in the northern dairy industry to efficiently and effectively deliver regional services.

The skills required for the new board include experience in the dairy industry, knowledge of emerging issues, finance, research, development and extension as well as leadership experience. The board will consist of seven to nine directors, with a minimum of four farmers. Nominations for Subtropical Dairy Board closed in September.

New Director's will be elected at the company's forthcoming 2009 Annual General Meeting, which will take place on Tuesday 20th October 2009 at Opal Cove, Coffs Harbour.

More information is available by contacting Subtropical Dairy - phone: 0438 715 625 e-mail: janine@dairyinfo.biz or by visiting the website www.dairyinfo.biz .

Dairy farmers take out hay and silage awards

Neil Griffiths,

District Agronomist, Tocal

Dairy farmers dominated the 2009 NSW Hay and Silage Feed Quality Competition run as part of the NSW Grassland Society annual conference held in Taree in August.

The awards which were sponsored by Integrated Packaging, New Holland and Pioneer covered all types of hay and silage. 52 samples were considered with most entries being silage. It was very pleasing to see some farmers took the opportunity to have a discounted feed analysis from the NSW Feed Quality Service to check on their feed quality for the first time. Hopefully this will be the start of future monitoring and improvement in the quality of hay and silage being made and used.

Awards were presented to

- Brian Berry and Kelly Garland "Wirralee Partnership" Dungog for an oat and vetch hay which took the winter crop award with an M.E. of 9.4 and crude protein of 14.1%.
- The top quality lucerne was awarded to a spring silage produced by Johnston brothers from Taree with an M.E. of 10.4 and protein 26.8.
- The Bake family of Crossmaglen near Coffs Harbour were represented by Darren Cheers in taking the maize silage award with an excellent 10.9 M.E. and crude protein of 7.0%.
- The Williams family from 'Creebank', Vacy north of Maitland produced the highest testing winter pasture hay or silage with a ryegrass silage testing 10.8 M.E. and 24.6% crude protein.

In a very close contest with the maize silage this ryegrass silage was given the major award presented by Integrated Packaging due to its higher protein and higher overall potential animal production as a stand alone feed.

David Williams, Vacy winner of best winter pasture silage

There were no awards presented for summer pasture or other summer crop presumably due to flooding and difficult conditions in the main growing areas.

With very positive feedback from the NSW Grassland Society and the sponsors it is planned to run the awards again in 2010. So now is a good time to identify good paddocks and get ready to submit a sample when the competition opens again next autumn. The 2010 presentation will be at the Grassland conference to be held in Dubbo.

A rose by any other name

Tim Burfitt

Manager Intensive Livestock Industry Development

NSW Department of Primary Industry has been incorporated into a new Department - the Department of Industry & Investment, referred to as Industry and Investment NSW. The old DPI will however remain as a Division of Primary Industries within the larger Department. So when you phone a Departmental location don't be surprised to hear "Industry & Investment, NSW", followed by Division of Primary industries.

The main aim of the new Department, through the consolidation of 8 agencies, is to provide the best services possible to community and industry in NSW. The consolidated agencies have common linkages and will be able to support each other in achieving common goals.

Front-line services will remain a priority, and close links with primary industry will be maintained. New email addresses like tim.burfitt@industry.nsw.gov.au will be phased in. Access the website through either www.dpi.nsw.gov.au or www.industry.nsw.gov.au.

Regional extension model tested

Tim Burfitt

Manager Intensive Livestock Industry Development

Upper Hunter, Tamworth and Dubbo Dairy Officer, Anthea Lisle, over the past 6 months has taken on an additional role.

Anthea was nominated by NSW DPI early in 2009 to head up a 6 month pilot project in the North Coast and Hunter regions, part time of course so we could still have some dairy work done. The pilot's aim was to test a regional agricultural service delivery model for NSW DPI focusing on a common theme, in the case of the pilot, Climate Change.

So Anthea has been juggling two roles and as testimony to her skills, abilities and professionalism she has done both well. Now the pilot has reached its reporting stage Anthea will be returning to her dairy duties full time.

Dairy cross calves meet the market

Ian Blackwood

Livestock Officer - Beef Products

Entry No.303 with 80.896 points.

At the March 2009 Dungog/Gresford Hoof & Hook Competition, Sarah Williams from the "Creebank" Jersey's at Vacy entered seven head of cattle sired by European bulls from their Jersey herd.

The cattle, 5 steers and 2 heifers, performed impressively in the carcase section of the competition. The results are summarised in the Table below.

All cattle except No. 903 were graded MSA (a national eating quality standard) and received no price penalty for being dairy cross. Price deductions were given by the abattoir to any carcase below standard.

The secret to the carcase success of these cattle was the use of

heavily muscled European breeds over the lightly muscled Jersey cows.

A lot of exhibitors were keen to know if Sarah had Angus x Jersey heifers to sell. . . they do make great vealer mothers on improved country!

All the calves were reared through the farm's calf rearing system based on an automatic feeder then grown out on improved pasture, sown with ryegrass in the winter and finished on pellets and silage for between 1 to 6 weeks. All were young, having milk teeth, and between 16 and 23 mths old.

DID IT PAY? . . . . . well, you'll have to ask Sarah, but she seemed pretty pleased with the carcase results and the abattoirs cheque.

Sarah said *"It is hard to work out the cost because the Jersey heifers and beef crosses are reared together for the first 4 months (0-4 months then up to 6 weeks at the end). Approximate costs were milk powder $80 per head and pellets $175 per head. All other costs are dependant on using excess feed from dairy operation."*

Entry No.	Sex	L/wt /Carcase wt	P8 fat (mm)	Breed	ABCAS Points/100	Winning point score
305	Str	424kg / 211kg	9	Angus x Jersey	73.996	83.896
304	Str	375kg / 187kg	5	Angus x Jersey	71.418	83.896
303	Str	409kg / 220kg	5	Limousin x Jersey	80.896	83.896
603	Str	462kg / 239kg	5	Limousin x Jersey	77.628	86.157
904	Hfr	381kg / 185kg	5	Limousin x Jersey	71.058	79.27
903	Hfr	450kg / 237kg	3	Belgium Blue X Jersey	34.985*	79.27
102	Str	349kg / 176kg	5	Limousin x Jersey	77.776	80.061

*dark cutter (meat colour) Note: For 7head entered this is the industry average for the incidence of dark cutting i.e. 1 from 7 head.

Monitoring milk quality

Michael Ison

Livestock Officer - Dairy (Human Resource Management)

The issue of chemical residues in milk is never far from the consumer's mind so therefore it is an important concern of manufacturers and farmers.

To monitor residues in milk The Commonwealth Department of Agriculture, Forestry and Fisheries (DAFF) conducts the Australian Milk Residue Analysis (AMRA) Survey.

The AMRA Survey provides a national, independent monitoring program for potential residues of agricultural and veterinary chemicals and environmental contaminants in raw cows' milk.

The survey underpins AQIS export requirements for dairy products, and facilitates access to major export markets such as the European Union.

The AMRA Survey is risk based, and is designed to identify and monitor potential chemical inputs into Australian dairy production that may affect dairy-food safety.

The survey makes an overall assessment of the effectiveness of the range of controls in place with respect to agricultural and veterinary chemicals.

Samples are taken randomly from all dairying regions and submitted to laboratories accredited by NATA.

Milk Residue testing is an important way to monitor milk quality

Have you got milk quality risks covered on your farm?

1. **Is there a clearly written treatment protocol so that every person who might need to treat a cow (including relief milkers) knows what to use and how?**
2. **Is there a policy that everybody knows and understands for clearly identifying and marking treated cows, and then recording the treatment?**
3. **Are drugs and chemicals clearly labelled and marked, and stored in a safe place and in a manner that can't be confused?**

Residues in calves

One area of concern is residue levels in bobby calves sent to slaughter with increasing numbers of calves being detected with antibiotic residues.

What farmers can do

Dairy farms have a role in maintaining and improving milk quality by observing basic rules regarding antibiotic and chemical use with dairy animals and ensuring the risks associated with residues are managed.

Take care when treating both pregnant cows and their calves; discard any milk from cows treated with antibiotics and follow closely withholding periods for drugs.

Dairy Podcasts – Online Audio Information

Greg Mills

Livestock Officer - Industry Development

All people working in the dairy industry constantly face the challenge of getting good information quickly and at a time that suits. To assist dairy producers meet this challenge, our website now incorporates Podcast on a range of issues and topics.

Podcasts can be found at http://www.dpi.nsw.gov.au/podcasts/dairy

Podcast are audio files that allow you to access information about a range of topics at a time that suits you. Podcasts are a convenient way to hear or download audio files.

You can listen to a podcast straight away online, or download the file to play on your computer at a later time. Podcast are typically three to ten minutes in length.

MP3 players are a great way to listen to podcasts.

You can also transfer the files to a portable MP3 player to play at anytime. This gives you greater control over what you listen to and allows you to choose when and where you listen to it.

Podcast will be continually added to covers topics such as animal health and biosecurity, people, business, pastures, dairy design, farm business management and animal nutrition.

This first podcasts features Tony Dowman sharing 40 years of experience on a range of dairy design and production issues.

When you see this icon next to a linked title on our website it's letting you know that this is an audio file. Your computer settings and the browser you use will determine what happens when you click on the linked title. Some of the things that may occur include:

- the audio file will play within your browser,
- an application (like windows media player) will open and begin to play, or
- you may be prompted to save the file.

To download a Podcast, right click your mouse on the Podcast title and select Save Target As from the popup menu. You can then select the location to save the file.

If you use iTunes you can automatically download and subscribe to a podcast. When you see this icon on pages throughout our website you can click on it to interact with iTunes.

Getting dairy people through hard times

The season's opening milk prices have many dairy businesses carefully reviewing their costs. In tough times, no part of the farm business can escape from a review of its costs and efficiency.

People are an integral part of a dairy farm and can be a significant part of its costs. But to reduce the number of staff without reducing the amount of work may have negative consequences on those who are left.

Dr Chris Hibburt, from The People in Dairy program, says there are three things to consider when reviewing staff costs: downsize, rationalise and enjoy!

Downsize

The initial reaction to a downturn is often to reduce the size of operation. There maybe some short term gains from this, but it is important to make decisions that do not prevent the business from being profitable in the longer term. Good people and good cows make a profitable farm business.

"There may be 10-20% of cows no longer viable in the herd at this season's milk prices. It may be worth considering replacing some of these with new cows from herds exiting the industry. Alternatively, they can be culled early, reducing the amount of work on the farm," said Dr Hibburt.

However, downsizing in the short term and having to put off valued staff may not achieve the best longer term outcome.

Herd Recording helps select cows to cull.

Rationalise

"If you are thinking about cutting staff numbers, review the way things are done on the farm and see if you can rationalise some of the tasks to reduce the workload," said Dr Hibburt. For example:

* Is there a need for such a long AI program?

* Can two herds be run as one?

* Can a smaller group of out-of-season calvers be sold?

* Is it possible to feed all the fodder once daily instead of twice?

* Is that extra person in the dairy really justified?

* Will a contractor do that fencing job a lot easier than me?

Enjoy

One thing to remember is that no matter what the economic outcome is for the industry, we are in it because there are aspects of dairy farming that we enjoy.

"Despite the seasonal and economic challenges, it is still possible to get a great deal of pleasure from raising excellent calves, milking good cows and taking pride in your farm," said Dr Hibburt.

"These are the fundamentals that help us get through tough times with the energy and enthusiasm to continue on and take up opportunities for ourselves and future generations.

"Making sure that any decisions we make in the short-term do not have an unreasonable effect on our work-life balance is part of a healthy business strategy," he said.

For more information: contact The People in Dairy ph (03) 9620-7283 or www.thepeopleindairy.org.au

NSW Government helps farmers calculate carbon emissions

Farmers throughout NSW and Australia can now assess the carbon emissions from their individual operations through a new online calculator, Minister for Primary Industries Ian Macdonald said today.

The FarmGAS calculator was launched this week by the Australian Farm Institute.

Mr Macdonald said the estimates of farm greenhouse gas emissions used in the FarmGas calculator are consistent with those in the National Greenhouse Gas Accounts, which are produced by the Australian Government's Department of Climate Change.

The FarmGAS calculator is available free online, through the Australian Farm Institute's website: www.farminstitute.org.au

Monitoring emissions from cows can be a complex process!

In addition to the FarmGAS calculator a specific Dairy version, Dairy Greenhouse Gas Abatement Strategies Calculator (DGAS), is being tested and will be available on the Dairy Australia website shortly. Funding to develop both calculators was provided by the Australian Government National Climate Change Action Plan and Dairy Australia.

The DGAS Calculator allows farm managers to calculate the impact of adopting different abatement strategies on their total farm GHG emissions and help them work out the strategies best suited to their farming system.

Abatement strategies modelled by the calculator fall into four categories; herd management, feeding management, soil management and farm intensification. Modelling shows that any farm efficiency improvement will lower GHG emissions/t MS.

For further information or a copy of the DGAS prototype contact Karen Christie Email: Karen.Christie@utas.edu.au

DGAS is an R&D project being conducted by the Tasmanian Institute of Agricultural Research (TIAR).

Indian Ocean Dipole another key driver of winter/spring rainfall

Michael Cashen

Livestock Officer - Dairy (Deniliquin)

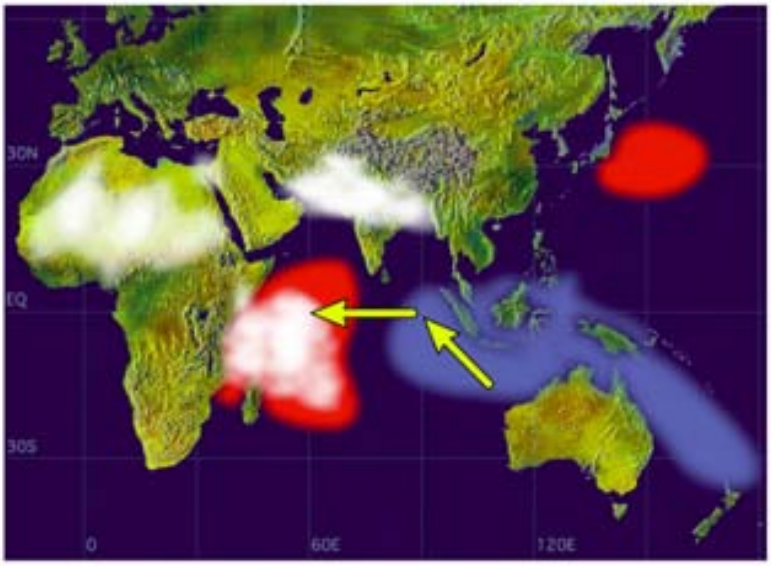
The Indian Ocean Dipole (IOD) is a coupled ocean-atmosphere phenomenon in the Indian Ocean, much like the El Nino Southern Oscillation (ENSO) is in the Pacific as was discussed in the last issue of Dairy News. Like ENSO the IOD phenomena also affects the supply of moisture to our local synoptic systems and therefore the chances of rainfall particularly during winter and spring.

The Indian Ocean is a major source of moisture for NSW. Japanese researchers first noticed the occurrence of a coupled, Indian Ocean and atmosphere phenomena in 1994.

The IOD was first identified in 1999 by Professor Yamagata, Dr. Saji and other researchers of the Climate Variations Program of Frontier Research Systems for Global Change and appeared in the journal Nature in this year.

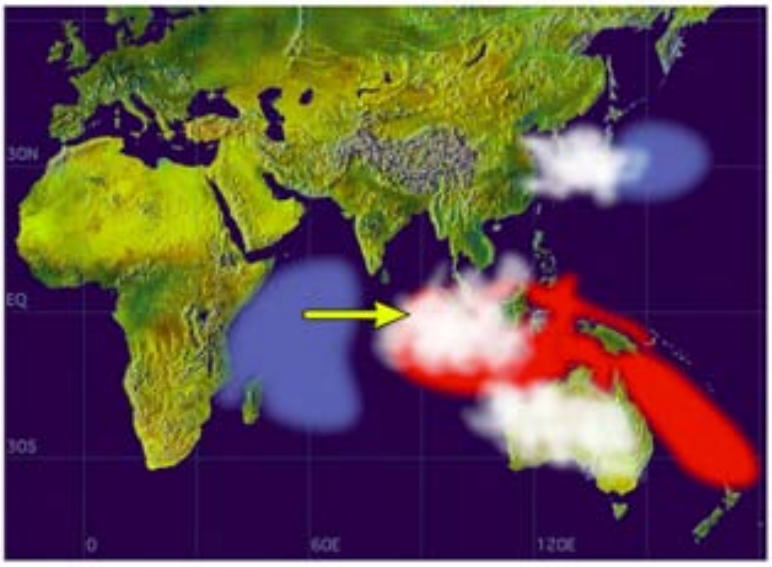
Like ENSO, Indian Ocean Dipole (IOD) has three distinct modes a positive, neutral and negative mode and appears to impact on rainfall west of the Great Dividing Range in NSW from June to November, before fading with the onset of the tropical monsoon

Positive Dipole Mode



IOD in its Positive Phase is characterized by cooling of sea surface temperatures in the south eastern Indian Ocean, off the coast of Sumatra and warming of the sea surface temperatures in the western equatorial Indian Ocean, off the coast of Madagascar. Associated with this sea surface temperature change, the normal convection (air rising) situated over the eastern Indian Ocean warm pools shifts to the west and brings heavy rainfall over the east African and severe droughts/forest fires over the Indonesian region and Australia.

Negative Dipole Mode



IOD in its Negative Phase is characterized by warming of sea surface temperatures in the south eastern equatorial Indian Ocean, off the coast Sumatra and warming of the sea surface temperatures in the western equatorial Indian Ocean, off the coast of Madagascar. Associated with these changes the convection situated over the western Indian Ocean warm pools shifts to the east and brings heavy rainfall over Indonesia/Australia and severe droughts/forest fires over the African continent.

The Australia is currently experiencing a neutral IOD. For change in the rainfall pattern to occur, IOD needs to become negative during winter and spring which will bring moisture laden air across to the east. This situation has not occurred in Australia since 1996.

The Australian Bureau of Meteorology now provides monthly updates on the current status and forecasts for the IOD phenomena along with its ENSO information, to access simply visit the website http://www.bom.gov.au/climate/enso

Pasture growth from poultry litter (Part 1)

Neil Griffiths and Scott Richards

Poultry litter is an effective fertiliser, able to support impressive pasture growth. Research has shown that paddocks with a history of poultry litter use accumulate very high phosphorus levels and only respond to the nitrogen in litter. The extra phosphorus is wasted and can be a pollution risk.

A paddock trial at Tocal has been comparing pasture growth from poultry litter and fertiliser since 2002. A range of factors were monitored in this paddock including nutrient runoff, changes in soil fertility and pasture production. The following treatments were trialled:

Annual Litter: Annual poultry litter: 15m^3/ha applied in December each year

Fertiliser: For the first 3 years received fertilisers applying the same nutrients estimated to be applied in Treatment 1. These fertilisers were applied in split applications every 3 months. From year 4 to present this treatment has only received urea at 100 kg/ha/month applied when pasture actively growing. In years 4 and 5 urea was applied in 7 months each year. In years 6 and 7 it was applied every month.

Best Management Practice (BMP): Received poultry litter 15m^3/ha/year every 2nd year (4 times) in total. Also 100 kg/ha urea applied every 3 months except in years 1 and 3 when no urea was applied.

Nil Fertiliser: A 20 metre nil fertiliser "buffer" is located at the bottom of both Treatment 3 plots.

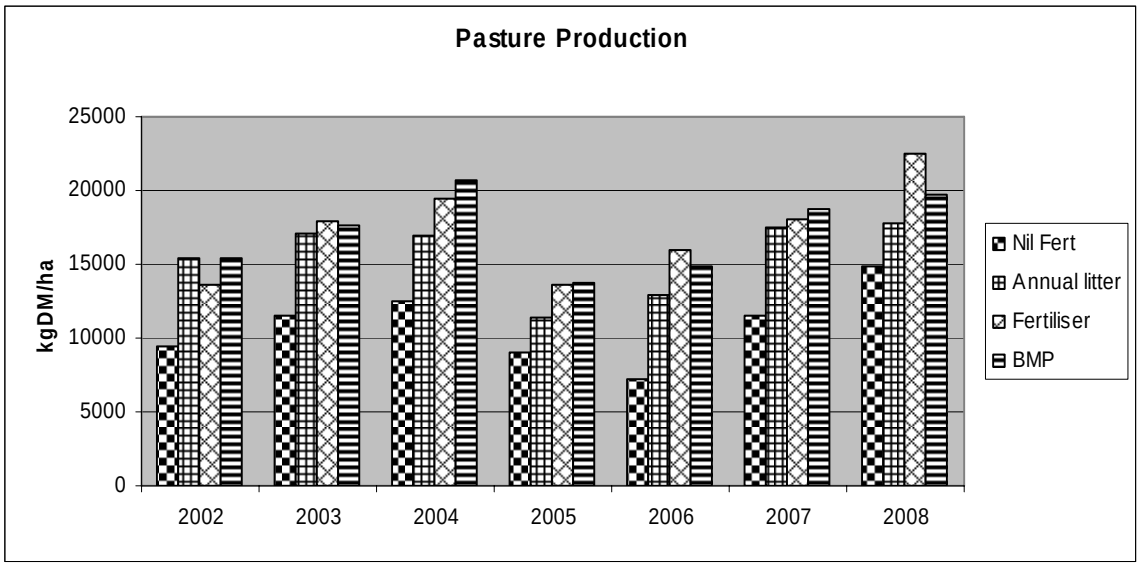


Figure 1.

Pasture production following annual application of poultry litter, application of fertilisers to apply similar rates of N, P, K and a BMP which combined biannual poultry litter with extra nitrogen applied.

Conclusions

Fertilisers including DAP, urea and muriate of potash can replace poultry litter and provide similar pasture production.

2008 highlighted the response possible from urea alone when soil tests indicate other nutrients are adequate. The BMP combination of poultry litter every 2 or 3 years alternated with urea in other year's looks promising for long term production.

An analysis of the cost of the treatments will be provided in Part 2 in the next Dairy News.

Acknowledgements

This trial received funding support from the National Heritage Trust and NSW Department of Primary Industries. Thanks to Warwick Dougherty and Roy Lawrie and Tocal dairy staff for cooperation managing the trial paddock.

Future Dairy project in the Hunter Valley

Background on Future Dairy Project

Future Dairy is a research program to help Australia's dairy farmers manage the challenges they are likely to face during the next 20 years. The challenges are expected to be related to:

- the availability and cost of land and water resources;

- the availability and cost of labour and associated lifestyle issues.

Phase 1 of Future Dairy, from 2004 to 2008 sought to investigate the most productive ways of increasing milk production from home grown forage. One key outcome of the project was the development of the Complementary Forage Rotation/Systems (CFS) using maize, brassica and clover in an intensive rotation growing 40 tonnes of Dry Matter per hectare.

In 2008 Corstophine Dairy produced 35,900L/ha using only 1370 kg concentrate /cow/year

In Phase 2, from 2008 to 2011 the project team aims to work collaboratively with service providers and farmers to see the implementation of the CFS in practical settings on farms.

Assoc Prof Yani Garcia (centre) from the Future Dairy project discusses feeding options with Rodney Richardson (right) on his farm at Gresford, and David Deane Technical Assistant with the project

What is this Hunter Valley project about?

This project is about farmers working together with the researchers at Future Dairy and the local DPI dairy extension officers to achieve increased productivity and profitability through implementation of the Complementary Forage Rotations/Systems (CFR/CFS) principles.

Complementary Forage Rotations/Systems are highly intensive and productive forage systems which have been shown to be economically viable; soil/environment friendly; and very efficient in the use of nutrients.

The CFS is an alternative for farmers who have achieved relatively high levels of pasture utilisation and are constrained due to limited availability of land and/or water.

What are the farmer's roles?

Six dairy farms have been chosen in the Hunter Valley and will work closely with Future Dairy to implement the CFS and to measure and monitor the impacts of the CFS on there farm.

The six farmers involved will be kept updated and connected with a series of workshops and discussions and as findings emerge will host sessions with other farmers. The latest developments will also be published in future Dairy News.

FEEDING

COMING EVENTS

October	7th and 8th Oct in Bega Dairy NSW AGM & Members' Council (Hayden Kingston) 8th Oct Bega 'Celebrating Environmental Achievement BBQ' Variety Trials Inspection – Heritage Seeds –Denman and Dubbo(Contact Anthea Lisle) Fertiliser Trial Inspections Tocal– (Contact Neil Griffiths) Dairy Forage Field Day 12th Oct Blighty 'Gunyah Park" (Contact Mike Cashen) NSW New Generation Youth Forum 20-22nd – Coffs Harbour (Contact Traci Gordon 0406781553) Cups on Cups off – Mathoura15-16th Finley 29th-30th (Contact Mike Cashen) A Girls Day Out for Women in Dairy Wednesday 21st Oct 10am – 3pm The Homestead Brogo
November	4th and 5th November Hay and grain updates Bega (Hayden Kingston) Online Training – Milk Predict Tool (Contact Anthea Lisle) "Planning a good future in a changing environment" 9-13th Nov Finley (Contact Mike Cashen)

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