

Ovine Observer

Dry season response 2023

John Young

Author correspondence: Katherine.davies@dprid.wa.gov.au

Background - The decision making context

Parts of WA currently have below average soil moisture and below average food on offer (FOO) for the start of spring. Going forward, the forecast for spring rainfall is an increased chance of lower than normal spring rain, leading to a poor outlook for crop yields and summer/autumn feed availability. These dry conditions have coincided with and possibly exacerbated low sheep prices. This is different to other recent poor seasons when the sheep market was buoyant and destocking decisions were associated with very positive cashflow outcomes.

The WA mutton price in the saleyard averaged 174.6 c/kg cwt in August 2023, down 51% compared to August 2022 which averaged 355.5 c/kg cwt. This is the lowest monthly average since April 2013. The Eastern states has followed a similar trend with saleyard mutton prices down 60% year over year, however they remain higher than WA averaging 217 c/kg cwt. Prices have fallen further in September with mutton prices averaging 92.2 c/kg cwt the week of 15 September (WA).

The live export market has helped limit the falls with increased live exports. So far live export numbers in 2023 (Jan to Jul) are above the Jan to Jul exports last year with a total of 431,841 sheep exported live compared to 289,017 this time in 2022. In dry regions agistment may be available to some producers as there are some regions in WA having average or above average pasture growth.

Currently killing space is limited relative to the number of animals being turned off. This is leading to timeliness problems for turning off both finished lambs and older animals. Furthermore, the discount for selling in the saleyards is higher than usual. This could be important when budgeting the cashflow implications of selling animals.

Key messages

- Know your farms position and have a plan in place. It is important to outline your most limiting factor and to match your plan to that factor.
- The optimum proportion of the farm to crop and the optimum number of stock to carry varies with commodity prices. Know if your farm sits under or over stocked relative to the current and predicted prices.
- Prioritise what sheep classes to retain in drier seasons and use that list to make culling decisions. When culling ewes, outline selection pressures to cull the less productive animals.
- 2024 will be a high value year for pregnancy scanning the mated ewes, so the empty ewes can be sold.
- 2023 is an important year to wean in a timely fashion. Delaying weaning beyond 8 to 10 weeks is inefficient use of feed and also reduces your ability to allocate feed to the priority mobs.

Technical tips

In WA the link between a poor season this year and the probability of different season types next year is very weak. So, although this year is tough, mental and physical preparedness is required to manage for a profitable season in 2024. In order to prepare for poor seasons some key tips and tricks to keep on top of management include:

Tip 1: It is much cheaper – only requiring half the amount of grain – to maintain weight than allow weight loss and try to regain weight later. Therefore, it is recommended to start with low rates of feed early and gradually increase.

Tip 2: Sheep will expend 1 to 2 MJ/d walking when feed is scarce. If FOO is low and quality is poor then the energy expended is not offset by feed consumed.

Tip 3: Joining ewes in CS less than 2.3 is an animal welfare risk and also a profit risk. Ewe deaths can be very high which means not mating ewes with CS < 2.3 is recommended.

Tip 4: Rules of thumb for level of grain feeding

Table 1: Amount of extra feeding required (MJ) to meet a LW change target. The increase in feeding above the level currently being carried out.

Aim	Fed on pasture MJ (kg)	Confinement feeding MJ (kg)
To reduce LW loss by 1 kg	40 (3)	25 (2)
To achieve LW gain of 1 kg	100 (8)	50 (4)
To maintain a 1 kg heavier animal during pregnancy and lactation	30 (2.5)	28 (2.3)

Feeding on pasture requires more MJ fed for the same LW outcome because:

1. animals expend more energy walking when grazing on pasture
2. a higher proportion of the grain offered is wasted in the paddock
3. supplement offered in the paddock reduces intake of the pasture. Therefore, an extra 1 MJ of supplement consumed results in less than 1MJ of extra intake. The magnitude of this effect depends on the quality and quantity of paddock feed available.

Tip 5: Most weaner deaths occur in the first 4 months after weaning, therefore these 4 months are the critical period. Weaners growing at 250 g/month are at a high risk and have a low survival. Increasing their growth rate by 1 kg/month lifts them to a low risk region and increases survival by 30%—55% depending on weaning weight.

Tip 6: With current wool prices 20% of extra grain fed for maintenance is recouped in wool income. This is allowing for the efficiency of wool growth and the change in fibre diameter due to increased growth. It doesn't include an impact on staple strength which could be important if the extra supplementary feeding is increasing wool growth during the weakest period of the staple.

Tip 7: An effective method for minimising the total amount of supplement required is to separate the tail of the mob. This allows targeting of the supplement to the animals that require it, rather than feeding the whole mob to manage the mortality risk for a subset of the animals. Segregating ewes on CS and allocating feed appropriately will be a high value practice this year.

Management in a poor season – Getting the big picture correct

Be prepared

The current position and the forecast for the remainder of the season can give a picture of the feed that will be available for the coming summer and autumn. This outlook allows for feed budgeting and estimating the likely requirements for supplement.

Know your own position

- Know the role of sheep in the system and the capacity to increase other enterprises (e.g. cropping) in 2024 and 2025 if stock numbers are reduced.
- Know what paddock feed is available.
- Know the water quantity and water quality in the areas where the feed is available and what is available if confinement feeding.

- Understand your cashflow.
- Know what skills are available, for example feed budgeting and confinement feeding.
- Know your own susceptibility to stress. Is a system preferred that requires continuous monitoring and adjustments or is it preferable to make the hard decisions now to reduce the decisions required later?

In situations where stock is a minor contribution to farm income the best option is likely to be to sell down to a manageable number and concentrate the management focus on the crop enterprise.

The most limiting factor

The plan adopted needs to relate to the factor that is most limiting in the given situation. What is your most limiting factor?

If cashflow will limit grain purchases, then selling sheep early is better than retaining animals and experiencing excessive weight loss and potentially having a forced sale of animals in poor condition later.

Calculating the most limiting factor can be done with a feed budget that includes all the stock that would normally be retained after the coming shearing.

If animals need to be sold, consider which age groups and classes are the priority mobs.

Consider alternative outcomes

The outlook for the future is just that and it may turn out differently. Consider alternative weather and market conditions, particularly, it is worth considering a worst case scenario and having a contingency plan if that were to happen. This ensures you are not caught off guard and incur big losses if it were to occur. In the current situation the worse case scenario would be rainfall around Christmas that affects the dry feed quality, followed by a late break to the season.

Remember the people on farm

Early decision making reduces stress because the decision is made and you can move on – know your response to stress. Some like the continual decision making and monitoring the unfolding situation, others prefer a set and forget.

The optimum flock size/the big picture settings

A recurring upturn in meat prices has been observed over the last 10 years, which has recently transitioned into a downward trend within the last 12 months. The optimum proportion of the farm to crop and the optimum number of stock to carry varies with commodity prices. Did you overshoot the rebuilding of your stock numbers in response to good seasons and high prices? If so, you will be over-stocked for current market conditions even with normal seasonal conditions. In this situation a decision to destock in response to the current poor seasonal conditions would be complementary with reducing stock numbers if the medium-term price outlook is for prices to remain depressed.

A reduction of \$2/kg for meat is associated with an increase in crop area of 10 to 20% and a reduction in flock size of 20 to 30%. These results were generated as the average for a typical flock in the Great Southern region of WA lambing in May or in July and are only indicative of the adjustment for other regions. These number of stock on the farm is represented relative to the optimum number for a lamb price of \$7/kg (Figure 1).

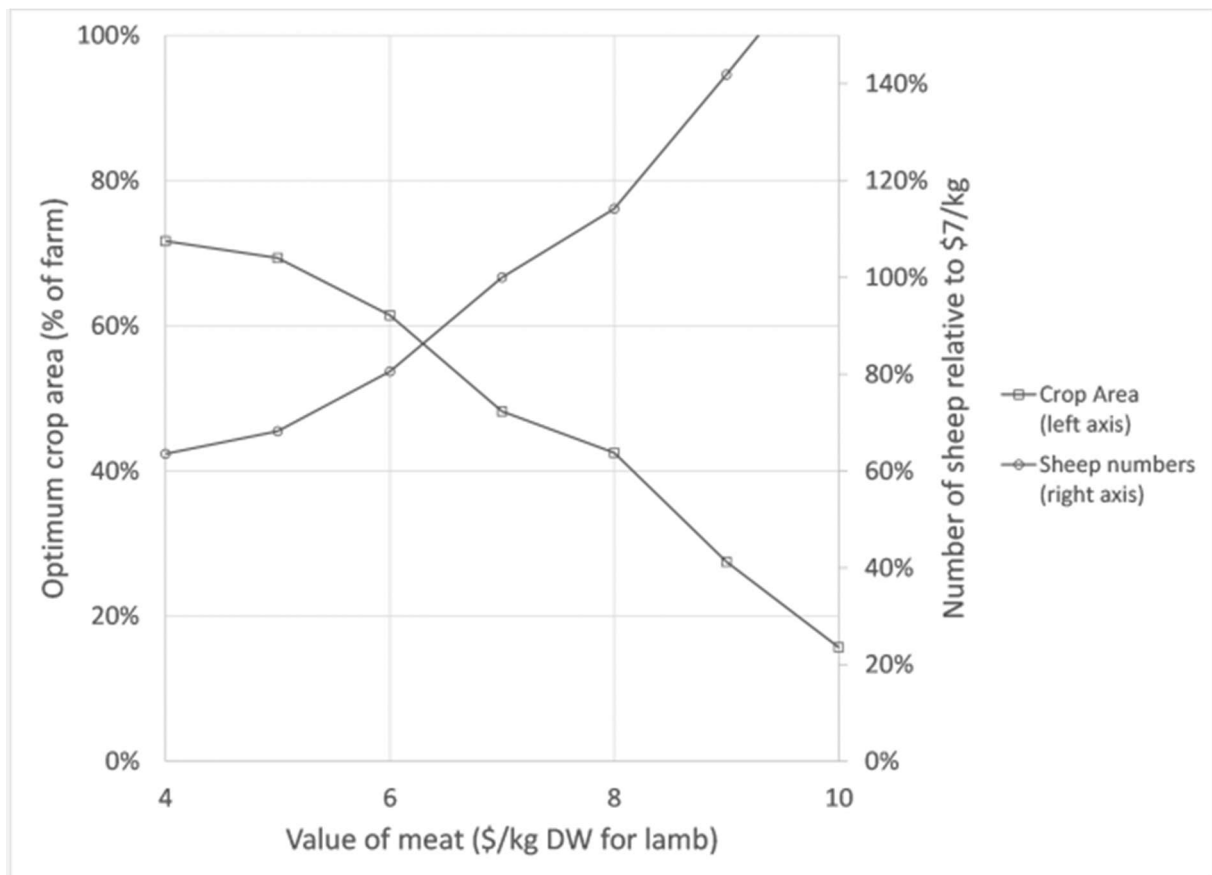


Figure 1: Comparison between the value of meat and the optimum cropping area

Priority mobs

Priority order for sheep retained

Prioritising what sheep classes to retain is important in drier seasons when making culling decisions. High priority classes such as mature productive ewes would be intended to keep compared to lower priority classes such as wether lambs or hoggets.

Sheep classes in priority order for selling:

1. wether lambs or wether hoggets
2. early sale of surplus young ewes
3. low productivity ewes (if they can be identified)
4. mature ewes 6.5 yo, 5.5 yo and 5 yo
5. ewe lambs (2023 drop)
6. rising maidens (1.5 yo)
7. mature ewes 2.5 & 3.5 yo.

When considering selling breeding ewes, there is a good opportunity to apply selection pressure to cull the less productive animals. Use index selection if the information is available, if not ewes that have not reared a lamb – which can be assessed at weaning by udder palpation – would be the priority to sell.

If culling the breeding ewes based on productivity is not possible then the focus is on selling those ewes that have the lowest future earning capacity and least impact on future numbers. So, the 2.5 and 3.5 yo are the highest priority to retain because they will produce the most lambs in 2024 and 2025 and they are the most robust ewes.

Bring sales forward/timing the selling decision

There are several advantages of bringing sales forward for the animals that have been identified for sale. The advantages of selling early:

- removes the requirement for supplement that would have been fed
- Retains extra dry paddock feed that would have been consumed. This dry feed is likely to be high quality and it will delay the time when the paddocks get bare – is erosion an issue. The value of the pasture not grazed is approximately one third of the value of the equivalent number of MJ of energy from supplement.

The main challenge with selling early is sourcing shearers to shear the animals prior to sale. The loss of the wool income will likely negate the feed benefits of early selling if shearing is not possible.

Pregnancy scanning

2024 will be a high value year for pregnancy scanning the ewes that are being mated so the empty ewes can be sold. This is a high value practice in a normal year for flocks that scan prior to the break of the season, it will be even more valuable this year. Book in with a scanner early. Use this opportunity to start (and continue) with this high value management practice.

Cost of delaying weaning

2023 is an important year to wean in a timely fashion. Delaying weaning beyond 8 to 10 weeks is inefficient use of feed and also reduces your ability to allocate feed to the priority mobs. The benefit to the lamb from delaying weaning is much less than the cost to the ewe. Early weaning ensures maximum opportunity for the ewes to be in a suitable condition for the 2024 lambing season.

For a more detailed report see the [Strategies and tactics for sheep producers in a poor season](#) webpage.