

Tassie Dairy News

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Dairy award winners

Lesley Irvine and Symon Jones,
TIA Dairy Centre

A family dairy farm in Forest has been named the 2017 Tasmanian Dairy Business of the Year.

Gerard and Ria Mulder, along with their son Ronnie, received the top prize at the annual Tasmanian Dairy Awards, which are jointly presented by the Tasmanian Institute of Agriculture (TIA) and DairyTas.

Originally from the Netherlands, Gerard and Ria Mulder moved to Tasmania and after initially working on a dairy farm in Mawbanna, they purchased their own farm at Forest ten years ago. Beginning with 140 cows, they have grown their herd to 280 cows.

While Gerard and Ria had dairy farming experience before moving to Tasmania, they took advantage (and still do) of learning opportunities offered, such as discussion groups and training courses.

They not only found it useful in learning about dairy farming in Tasmania, but enjoy the social aspect and continue to value and enjoy being involved in the North West discussion group, business group and other training events.

They also read a wide range of literature about dairy farming. They enjoy a challenge, which is one of the reasons they participate in benchmarking – to continually improve.

Pasture production and utilisation

Utilising pasture is a key focus on the Mulder's farm. Paddocks are grazed when they reach the 2.5-3 leaf stage and are managed to achieve a consistent residual of 1500 kg DM/ha. In the award year, Ronnie took weekly measurements of the pasture cover for each paddock using a C-Dax bike reader, with the information recorded in "pasture.io" to produce a feed wedge

and provide average pasture cover with growth rates for the farm.

Nitrogen is applied after every grazing with the rate varying between 30-50 kg N/ha, depending the amount of grass required. This requirement is identified through the feed wedge.

Healthy cows

The Mulders have a cross-bred herd. Up until this season they were using a 3-way cross breeding program with Friesians, Jerseys and Brown Swiss.

This season, they have changed to once-a-day milking and now are using only Jersey semen. Cows are synchronised and artificial insemination (AI) is conducted for seven weeks.

During the dry period cows graze on fodder beet and are supplemented with silage and hay. The Mulders grow fodder beet as they find it easier to get cows to gain condition.

Low cost

In order to keep costs as low as they can, Gerard and Ria try and do as much on the farm themselves, as well as making sure they make timely decisions.

For example, if they have a sick cow, before treating with antibiotics, they will check the temperature of the cow and if it is normal, antibiotics won't be used.

The Mulders have found early identification and treatment of problems saves them money. They also utilise different testing regimes to determine if and what they need: whether it be worm testing before drenching, mineral testing of cows or soil tests.

While some of these may seem to be little things, Gerard and Ria have found it important to focus on the details in order to maximise their profitability.

Focus on the details

Focussing on details doesn't just apply to the spending, but to all areas of management on the farm.

Gerard and Ria don't take a 'she'll be right' attitude, instead they like to deal with things when they see them, whether it be a lame cow, thistle spraying or designing something in the dairy to make life a bit easier.

Overall, Gerard and Ria aim to make a profit by having a simple system that gives them the lifestyle they want and is fun to work in.

A field day will be held on the Mulder's farm on April 21. Details can be found in the dairy calendar on page 8.

Also announced at the Dairy Awards dinner were the winners of the Fonterra Share Dairy Farmer of the Year Award – Cody and Denieka Korpershoek, share farming for Circular Head Farms at Edith Creek.

In the three years Cody and Denieka have been share farming, they have focused on growing their business through owning and rearing young stock and investing in a runoff property.

Cody and Denieka believe the important factors in their business success are:

- A strong work ethic
- A focus on time management
- Paying attention to detail
- Using budgets

Cody and Denieka work well with the farm owners and are left to manage the farm like it is their own. They consult regularly with the owners and discuss opportunities for further on-farm development.

Pasture management

Pasture management plays an important role in the business and in order to maximise pasture consumption and profitability, around 10 per cent of the farm is renovated each year following fodder crops.

Paddocks are grazed between the 2.5 – 3 leaf stage and are managed with a focus on quality before quantity. Silage is only made on the milking area from a genuine pasture surplus.

The grazing rotation is adjusted according to leaf emergence rates. A fresh break is offered for both day and night grazing with a target pre-grazing cover of 3100 kg DM/ha. A target of 1700-1800 kg DM/ha is set for the post grazing residual.

Nitrogen is applied at 1 kg of N/ha/day. Around 300 kg of nitrogen is used on the milking area each season.

Animal health

The dairy herd is made up of 620 medium sized Friesian and Friesian-cross cows. While there are some larger cows in the herd, Cody and Denieka are focused on breeding a medium sized cross-bred cow, which they believe will better suit the farm and provide greater value as a milker, but also offer better residual value than a smaller frame cross bred cow.

While the herd is predominantly spring calving, 120 cows are milked through the winter while the spring calving herd are agisted off-farm. Milk production for 2015/16 was 436 kg MS/cow and 1350 kg MS/ha feeding 1.8 tonne of concentrate per cow and consuming 10.7 tonne of pasture dry matter per hectare.

Focus

Cody and Denieka measure their success by running a profitable business that allows for a good family/work balance, with family being number one. They currently have two young children, Levi (2 years old) and Tilly (5 months old).

They have a 'can do' attitude taking on all tasks around the farm and working as one of the team.

They know that to be profitable they have to be vigilant with their financial and feed budgets and continue to focus on managing all parts of the business well.

A field day will be held at Cody and Denieka's on April 13. Details can be found in the dairy calendar on page 8.



More information on the Mulder family, the Korpershoek's and other 2017 Dairy Awards winners is available in the field day booklet. This will be available online at www.utas.edu.au/tia/dairy-benchmarking and in hard copy at the field days.

Understanding the rollercoaster of world milk prices

Sam Flight, TIA Dairy Centre

Food market analyst, Steve Spencer, spoke at the 2017 Tasmanian Dairy Conference on the current outlook for the dairy industry and the Australian farm gate milk price.

Steve highlighted the importance of watching the world market in predicting trends for local milk prices.

World milk prices have been on a rollercoaster and are now moving upwards from a trough caused by an oversupply of milk.

Despite the ups and downs of the industry pricing there has been a consistent 2-3 per cent price gain per annum over the long term.

Steve explained the value of dairy products is driven by the level of whole milk powder stocks and therefore the current build-up of whole milk powder stock in European countries will need to be watched closely.

Reserve stocks have been in high volumes and have caused a low floor price in milk. Demand for these products has now improved and potentially can get to a higher level, and hopefully remain there, reducing the milk powder stockpile.

Key factors driving the world milk markets are the major suppliers, the proportion of milk they can supply and who the buyers are.

The supply base has not changed very much, but the countries who are buying milk are. China is requiring fewer imports due to long-term internal industry growth and Russia is currently a closed market for cheese and other dairy products.

While Russia has imposed sanctions on purchasing milk from the west they may be close to importing product from China. There is a huge reliance on Southeast Asia and the Middle East – North African region to provide most of the market for tradeable milk and these



regions consume nearly half of the total trade in dairy products.

The present world dairy market is going through a quick reversal. Although Argentina and Brazil are experiencing production shortages, there are increases in production in Europe, the United State of America and New Zealand and the demand for cheese, butter and other dairy fats remains very strong internationally.

The outlook in the short term is that:

- Supply is closely aligned with growth and input demand
- Buyers need to replenish supplies
- Farm gate prices for the next season are expected to be just above or close to where they finish this season

Despite the forecast milk price for 2017-18 stabilising, there is still plenty of potential volatility in the world market and changes to the forecast could be driven by:

- Buyers restocking more quickly than anticipated
- An El Niño event forcing down milk production
- Russia re-entering the market
- America might have a lot of cheese to push onto the world cheese market
- China needing more imported milk products as its middle class increases as a percentage of the total population

The long term outlook is that:

- The roller coaster of supply and demand indicates supply will struggle to keep up with potential demand
- Changes in weather patterns can impact potential supply, both positively and negatively
- Long term prospects for dairying remain high for those who maintain efficient cost effective businesses

Cadbury Young Farmer Award Winners

Jeffrey began working in the dairy industry as soon as he finished school. His first job was on a 1500 cow dairy farm in East Germany where he proved his worth by rising through the farms employment levels to be second in charge.

Leaving this farm to seek new skills, he worked for a contracting business, which also ran a pig farm with 5000 breeding sows. When the business finished up, Jeffrey was self-employed for three years, contracting himself out to all industries dairy, pig and cropping assisting farmers when they require extra help.

During the winter months in 2010, he and his friend came to Australia with a backpacker organisation and Jeffrey soon saw the opportunities the Australian dairy industry had to offer.

After returning home, he thought long and hard about his future. Keen to get involved in dairying he couldn't see himself moving past being a farm manager in Holland. It is very difficult to get to farm ownership when you don't come from a farming family background.

Jeffrey moved to Tasmania in 2011 and spent two years working for the Hofing family at Mawbanna.

This wasn't an easy decision. It meant leaving his family and friends behind in the Netherlands, learning a new language (when Jeffrey first arrived in Tasmania, he didn't speak English), and learning a new way of dairy farming (pasture-based as opposed to a cut-and-carry total mixed rations system). He completed his Diploma in Agriculture Business Management.

He then became a manager on one of the VDL farms. During this time, Jeffrey developed a five year plan, which outlined how he wanted to progress to share farming. Using the contacts he had developed, he spread the word about his interest in share farming.

In 2015, Jeffrey moved to Deloraine and took on the management of one of the Ashgrove Farms properties. This provided him with the opportunity to get to know the farm owners, the farm, the climate and build a network of people around Deloraine.

Through careful budgeting and negotiation with his bank and farm owner, he was able to move into a 50:50 share farming agreement in July 2016. He started with 450 cows and will grow that to 500 cows next season. Important to Jeffrey in achieving his goals has been:

- Developing a plan with achievable goals.
- Not chasing the money, but rather opportunities.
- Getting in on a down turn, investing when cow prices are low.
- Saving, rather than spending. It isn't necessary to have the latest and greatest 'stuff'.
- Having a budget and learning to be good at working with numbers. "Knowing your budget inside out and your cost of production are very important to make the right business decisions."
- Developing networks. Talking with people. Having good mentors.
- Going to training programs and discussion groups run by DairyTas and TIA.
- Asking questions and continually learning.



The New Zealand farmers experience

Sam Flight, TIA Dairy Centre

Ron Pellow from the South Island Dairying Development Centre in New Zealand was one of the international guests at the 2017 Tasmanian Dairy Conference and provided a fascinating update on the Lincoln University Dairy Farm (LUDF).

Given the pressure caused by the environmental challenges being faced in New Zealand, the LUDF is focussed on demonstrating farm systems that are able to maximise farm profit, whilst achieving sustainability goals.

LUDF aims to achieve this by increasing productivity, without increasing the total environmental footprint, as well as operating within defined and accepted animal welfare targets.

The demonstration farm is currently producing 1600-1800 kg MS/ha or 520 kg/MS/cow feeding 126 kg of imported feed per cow.

At LUDF, the team has been working to better match feed demand with feed supply and has recently reduced stocking rate from 4.3 cow/ha to 3.5 cow/ha.

Growing-up on dairy farms, Marcus Haywood had an interest in being a dairy farmer.

When he finished school, his parents encouraged him to try a different career before deciding on whether to work in the dairy industry.

Marcus undertook an engineering course and worked in a sawmill for six months before making the decision to undertake a dairy traineeship.

He began the traineeship with Peter and Felicity Aldridge at Branxholm before working for the Cox family at Ringarooma for four years and then moving to Edith Creek to work with Cody and Denieka Korpershoek.

Taking the accumulated knowledge gained during his time working on these various farms, Marcus decided he wanted to take on more of a management role and contacted Chris and Joanne Holmes at Ringarooma about working on their farm. They reached an agreement and Marcus has managed their farm on a \$/kg MS basis for the past two seasons.

There is positive and open communication between the Haywoods and the Holmes. They have discussed progressing to a 50:50 share farming arrangement and, while Marcus has a long-term plan to stay in the industry, at the present he and his wife Simone are very happy with the existing arrangement. They have just signed a new contract for the next two seasons.

Some wise advice Marcus was given in the early stage of his dairy career was to keep a focus on herd health and growing pasture.

He has developed a keen interest in animal husbandry, finding it the most enjoyable part of dairy farming, but has also improved his skills in grazing management through attendance at workshops and participating in pasture coaching.

He finds the most useful practice in developing skills and knowledge in dairy farming to be listening to experienced farmers, taking in what they say, and then working out how to apply best practice in his business.



Separating pasture harvested into feed required for maintenance versus feed required for lactation showed less feed going into maintenance (as expected with the lower stocking rate), leaving more feed for lactation. Ron said that this is the efficiency gain we all need.

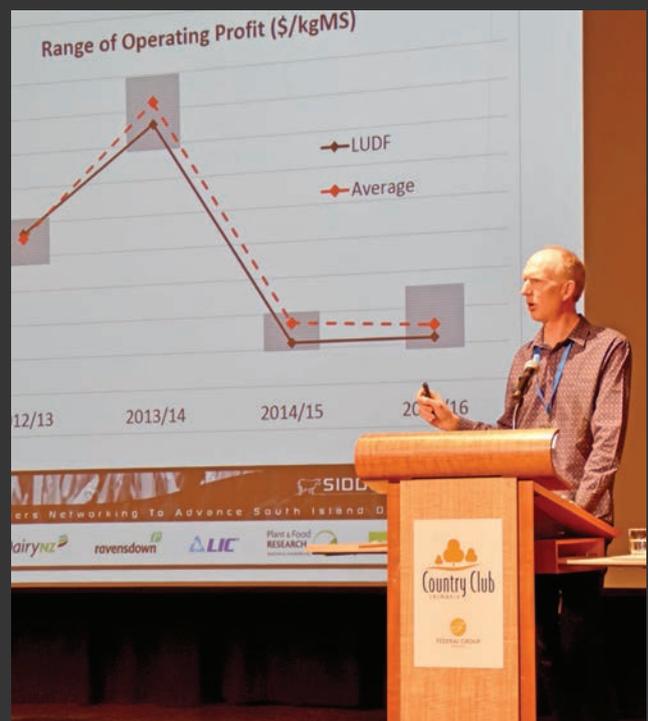
As a result of the change in stocking rate, the farm has seen a reduction in farm working expenses, with a rise in milk production per cow and per hectare. In return the farm has also reduced its environmental footprint and recorded higher profit.

Nitrogen application levels have also been reduced. The farm has become more efficient in using

nitrogen as is required by strict environmental regulation.

Despite the nitrogen reduction, pasture production has continued to increase, mostly through improved pasture management driven by strategically grazing closer to the three leaf stage. This strategy has helped reduce nitrogen loss, as the plants now have more time to make use of the nitrogen.

Ron highlighted the value of benchmarking against other highly profitable farms. This was a topic often mentioned throughout the conference, particularly the benefits of benchmarking when looking for efficiency gains within individual businesses.



DairyTas update

For more information contact DairyTas Executive Officer Mark Smith, phone 6432 2233, email admin@dairytas.net.au or view the website at www.dairytas.com.au.



Your Levy at Work

What is happening at DairyTas?

Tasmanian Dairy Conference and Awards Dinner

The conference, tour and awards dinner in March was a great success. We had the highest ever attendance, with more than 200 people attending the conference, and we received very positive feedback on the speakers.

Conference information and presentations are on the DairyTas website.

Thanks to our major sponsors for the event: ANZ, Roberts, Rex James Stockfeed and Murray Goulburn. Other support sponsors were Harcourts (Tour), Coopers, LIC, Wrightson Seeds, Lion Dairy & Drinks, Cape Country Rural and Elphinstone Stevens.

Congratulations to the dairy award farmer participants and the winners:

- Business Award: Mulder Family from Forest

- Business Award finalists: G&H Strickland, P&J Jones (Limberlost), David Risbey-Pearn (Agrilac's Oxberry Dairy)
- Fonterra Sharefarmer Award: Cody and Denieka Korpershoek, Edith Creek
- Cadbury Young Farmers: Marcus Haywood and Jeffrey Gijsbers
- Veolia Environmental: Nick Midson and Nigel and Rachel Brock
- VDL Farm Safety: Ashgrove Farms

Hoax speaker Graeme Bowman was a great hit at the awards dinner talking about his "experiences" with agricultural innovation.

Business Governance and Investment Workshop, April 26 and 27, Devonport

DairyTas is planning a two-day workshop on April 26-27 in Devonport for a new Dairy Australia farm business

program, to help improve your strategic management and assess possible investment options.

The workshop is aimed at dairy businesses who are looking to improve their strategic planning, risk management and governance. The second day looks at investment principles and models. The workshop is delivered by rural advisor David Heinjus from South Australia. Book in with DairyTas now.

Agfest Dairy Pavilion

Come to the Agfest Dairy Pavilion and catch up on a range of dairy suppliers, service providers (including TasTAFE and TIA), milk processors, DairyTas staff and Board members and some great food and coffee with the likes of Ashgrove, Anvers, Lion Cheese, Westhaven, Cheese Louise, Coal River Farm and more. DairyTas will be selling miniature porcelain cows for you to take and paint with the kids.



Water for Profit

Designed by farmers for farmers

Maximising investment in irrigation

Researchers at the Tasmanian Institute of Agriculture (TIA) are helping farmers gain the skills and information they need to maximise their investment in irrigation.

The Water for Profit Program, funded by the Tasmanian Government, focuses on delivering activities that address the practical needs of farmers.

Water for Profit farmer groups across the State run activities that look at irrigation issues that apply specifically to their group and the region.

In late March, the farmer groups combined for a workshop and farm tour at Richard Gardner's "Annandale" property at Tunbridge.

Water for Profit Project Coordinator, Georgie Pengilley said that the group were particularly interested in hearing from Richard about the transition from dryland farming, to irrigated cropping and now dairy.

"Richard is a well-respected farmer and the session gave the group an opportunity to look at different farming systems and the use of irrigated water from the irrigation scheme development," Georgie said.

"Richard is using monitoring tools to help track and measure water use, and to make informed decisions to increase the productivity of his farm. It was really valuable for the group to get an insight into this process.

"There was lots of great questions and discussion and the feedback we received about the event was very positive."

The event also included presentations from TIA modelling team member, Maria Richter and agriculture honours graduate Tony Kerstan.

Maria spoke about the free online decision-support tool, CropARM. The Water for Profit team is currently adding Tasmanian data to CropARM.

CropARM is a simple software tool that simulates the effect of resources (e.g. soil and water) and farm management inputs (e.g. crop type and fertiliser) on yield, by using years of scientific research, crop modelling and climate forecasting capabilities.

CropARM is freely available online, but up until now has not contained any Tasmanian specific-data sets.

Additions by the Water for Profit modelling team will allow farmers using the tool to compare how different crops, pastures and irrigation scheduling perform with local soils and conditions.

The tool will be demonstrated at the 2017 Water for Profit State-Wide Event. This free event is open to everyone and is being held on Thursday 18 May at the Riverlands Centre, Longford. To find out more visit the TIA website: www.utas.edu.au/tia

Water for Profit is a collaborative program between the Department of Primary Industries, Parks, Water and Environment (DPIPWE), the Tasmanian Institute of Agriculture (TIA), and the Tasmanian Farmers and Graziers Association (TFGA).



The in calf challenge

Grant Rogers BVSc, Dairy Systems

Winter is on its way and with it cooler weather, feed changes, and hopefully some time to complete those autumn jobs around the farm. Setting up right for winter is important for reproductive success next spring. Here are some tips as we approach the colder months.

Look after the youngsters

R1s are approaching their first winter and will have feed and climatic challenges. Recent research into heifer liveweight gains has showed a tendency for spring-born heifers to fall behind liveweight targets at 10-16 months of age, during their first winter.

Don't just weigh them

Weighing heifers doesn't make them heavier, but using the information can help to direct efforts and allow you to target stragglers.

Terrible twos

We can't forget about the R2s either, who will be starting to look quite pregnant in the next few months. Think about bringing them home ahead of their planned start of calving to mingle with the cows in the herd before they calve. If you do, be prepared to feed a little more as they may be bullied by the more mature animals and intakes may suffer.

Take time

It's not just heifers that need time spent with them. Consider sharing your knowledge with some training sessions around wintering cows and calving time with any junior staff. Ask them what they'd like to learn and if time is precious do targeted training.

Quick check

Use your pregnancy test data to review how mating went. If there were problems, seek help to identify where the biggest issues have come from. Also use this data to help prepare for dry off dates and calving plans.



Calendar of events 2017



April

11 April: North West Discussion Group, Hayden Matthews, Mella (TIA)

11 April: Using DairyBase to understand your farm business with John Mulvany, Devonport (Day 1 of 2) (Dairy Tas)

12 April: Stepping Up, Stepping Back with John Mulvany, Deloraine, Dairy Plains Hall (DairyTas)

11 & 12 April: Chainsaws in Launceston and Chemcert in Clarence (TasTAFE)

13 April: Sharefarmer of the Year Field Day, Cody & Denieka Korpershoek, Edith Creek. Morning tea from 10.00am, farm walk at 10.30am, free BBQ lunch. To register contact Symon Jones, 0418 876 089 or Symon.Jones@utas.edu.au (TIA)

19 & 20 April: Pasture management workshop, Deloraine (TasTAFE/TIA)

20 April: Precision Agriculture Expo,

Deloraine Community Centre. 9am start please RSVP to terry.brient@gmail.com (TAPG)

20 & 21 April: Auschem (Agritas)

21 April: Dairy Business of the Year Field Day, Gerard and Ria Mulder, Forest. Morning tea from 10.00am, farm walk at 10.30am, free BBQ lunch. To register contact Lesley Irvine, 0428 880 287 or Lesley.Irvine@utas.edu.au (TIA)

26 & 27 April: Business Governance and Investment in Dairy Farming with David Heinjus, Gateway Inn, Devonport (DairyTas)

26 & 27 April: Tractor Training, Burnie (TasTAFE)

27 April: Chainsaws (Agritas)

May

8 May: Euthanase Livestock, King Island (DairyTas)

9 May: Stepping Up, Stepping Back with John Mulvany, Smithton, Agritas (DairyTas)

9 & 10 May: Chainsaws, Launceston (TasTAFE)

10 May: Using DairyBase to Understand Your Farm Business with John Mulvany, Devonport (Day 2 of 2) (DairyTas)

11 May: Stepping Up, Stepping Back with John Mulvany, Burnie, Wellers Inn (DairyTas)

16 May: Euthanase Livestock, Smithton (DairyTas)

17 May: Safety Award Winners Field Day (DairyTas)

17 & 18 May: ChemCert, Burnie (TasTAFE)

17 & 18 May: Small Business Finance, Deloraine (TasTAFE)

18 May: Water for Profit Statewide Event. A free half-day event on precision irrigation. 8.30am to 2.00pm, Thursday 18 May 2017, Riverlands Centre, 159 Wellington Street, Longford. To register email: phoebe.bobbi@utas.edu.au or phone 03 6226 6385 (TIA).

22-26 May: Dairy on PAR Field Days (TIA)

24 May: Yolla Farmers Co-Op – 40 Year Celebration, Yolla

24 & 25 May: ChemCert, Launceston (TasTAFE)

Contact us

Tassie Dairy News is provided free to all Tasmanian dairy farmers and is funded by TIA and Dairy Australia.

For more information, please contact a TIA Dairy Centre adviser, phone 6430 4953 or email tas.dairynews@utas.edu.au.

Electronic copies of this newsletter are available at www.utas.edu.au/tia/dairy



Your Levy at Work



TIA is a joint venture of the University of Tasmania and the Tasmanian Government



DairyTas (03) 6432 2233

TIA (03) 6430 4953

TasTAFE 1300 655 307

Agritas (03) 6415 4100

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