



Client Newsletter
September 2012

Wairere

The Australian advantage



Wairere Romney and TefRom ram hoggets at Heywood, early September 2012, 11-12 months old.

Australian prime lamb production is increasing while New Zealand's is declining. Why?

- Australian farmers have been paid more over the past three years. Fifty to sixty percent is sold in the domestic market, compared to five to eight percent in New Zealand. Costs are lower for local sale. And Coles/Woolworths act to protect Australian producers by showing little interest in New Zealand lamb (or apples).
- Limited access to the EU (18,000t vs 227,500t for NZ)



Romney ram hoggets.

has resulted in Australian exporters playing a dominant role in the U.S., the Middle East, China, South Africa. Somehow they seem to sell lamb at a lower wholesale price than New Zealand exports, yet pay a higher price at the farm gate.

- The strong demand for woolskins delivers extra revenue, especially at the peak around March 2011. A finer, bulkier wool type coupled with a bigger skin area from bigger lambs (22.5kg in 2011-12 versus 18.5kg in NZ), always commands a premium, sometimes substantial.
- Dairying is a powerful competitor for land use in New Zealand. Under irrigation in the best areas, the top operators are doing 1,500 to 2,000kg milksolids per hectare. At the high price point of the cycle, gross revenue is \$NZ12,000 to \$16,000 per hectare, or EBIT of \$6,000 to \$7,500. Sheep-farming cannot compete. World record yields of wheat can't compete. Other land is moving into dairy support.
- Land is cheaper to buy in Australia. It is mostly flat, which is less expensive for infrastructure, and easier and cheaper to operate, e.g. fertiliser can be trucked on rather than flown on.
- Supplementary feed is usually cheap. Grain provides

Wairere Mobile (+64 212 225 100)

an option for finishing lambs in Australia.

- Australian farmers have a different attitude. They are more risk averse, because of the harsher climate. They are more likely to invest off farm than to pour the profits back into targeting maximum productivity. New Zealand farmers have to be reminded: "Production is vanity, profit is sanity".

Produce more? or cruise?

Record production level for a sheep breeding farm in New Zealand has been recorded at around 550kg of carcase weight and wool weight per hectare. That was achieved in Southland, where reliable summer rainfall in a cool climate often results in an almost perfect pasture growth curve through spring, summer and autumn. Stocking rate was high, wintering 16 ewes and hoggets per hectare, with the ewes lambing 155%, and average lamb carcase weight of 19kg.

It is interesting to compare that with production from a 560 hectare farm near Heywood, Victoria. Ewan Price runs 4,500 ewes and hoggets, a stocking rate of under nine per hectare. But a lambing percentage of 145 and average carcase weight of 22kg, and a 90 percent contribution from the hoggets, delivers 310kg carcase weight and wool



TefRom Romney/Border Merino ewe hogget

Room for improvement.

Given the long summer dry (shorter than many areas), and the average autumn break of 25th April, how can Ewan's system be tweaked to be more productive? Ewan has stated objectives of:

- increasing lambing to 160%.
- increasing hogget lambing to 100%.
- retaining average carcase weight at 22kg plus, with 90% plus sold at weaning.



Ewe hoggets with 150 percent lambing at Wayne Dodsun's, late September, 2011.

per hectare. Ewes are lambed in the winter to allow 150-160 days to weaning, with around 90% of lambs drafted off the mother. It is a simple system, a one man operation with a little casual. It is relatively high input by Australian standards, in terms of fertiliser and pasture renewal.

and 144% to those in lamb. The Romney/Border Merino scanned 86% in lamb, and 128%. But the TefRoms were joined two weeks later, and take to grain feeding faster – there are more shy feeders in the Romney cross.

There were ewe lambs purchased at Naracoorte for \$200-220 which scanned only 25%!

- reducing animal health costs and the risk of internal parasite resistance to drenches.

In 2011, Ewan's lamb crop included:

- Border Merino x Terminal.
- Wairere Romney x Border Merino.
- Wairere Romney/Border Merino x Terminal.
- Wairere Romney/Border Merino x Wairere TefRom (½Rom ¼ Texel ¼ East Friesian).

The replacement ewe lambs from the TefRom cross are:

½ Romney ⅛ Border ⅛ Merino ⅛ Texel ⅛ East Friesian.

The male lambs killed well, with good woolskin prices. The ewe hoggets scanned 86% in lamb,

Border/Merinos – a transitional cross?

- there are fewer ewe lambs available to purchase.
- replacements have become very expensive.
- breeding own replacements gives much better quality control.
- there are more productive options available now.

In New Zealand the Merino is regarded as a very soft sheep which is difficult to run, especially with feet issues. The Coopworth, which derived from a Border/Romney cross, is regarded as a productive but soft sheep. That is why the Coopworth percentage of New Zealand's flock has been declining, as good farmland gets converted to dairying. Romneys make up almost 50 percent of the national flock. Most of the other fifty percent are half Romney.



Wairere Romney ram hoggets at Heywood, early September 2012.

The ideal lamb weight?

Around the world there is a growing tendency to discount lambs above 22kg carcase weight. Even in the USA this is happening. The discount on heavy carcasses will motivate producers to draft lambs in the optimum band of 18-22kg. The cap on carcase weight will push farmers around the world to focus more on a higher lambing percentage from moderate liveweight ewes, so that more ewes per hectare can be farmed.

The New Zealand advantage.

For many decades New Zealand ram breeders have focused on improvement within a breed rather than rely on hybrid vigor to create a prime lamb dam. At Wairere this intensive selection has been carried out on steep hill country since 1967. As you will note from the ram booking form, ewes are not drenched after 11-12 months, a high stocking rate puts pressure on all classes of stock, and ewe hoggets have to get pregnant to be kept in the flock.



Wairere TefRom ram hoggets at Price's, 12 months old.

It makes sense to combine the best of what Australian and New Zealand farming have to offer.

Six years of Wairere Romneys being used in Victorian and Tasmanian flocks has proved that the cross makes a valuable contribution to:

- constitution and condition score. Why? Sheep at Wairere are run at a much higher stocking rate than typical Victorian farms, often 750-800kg liveweight/ha at 30th June on our medium to steep hill country.
- parasite resilience. At Wairere we have not drenched any ewes for seven years, except 400 (7%) after the 2008 drought. The last drench is at 12 months, before hoggets lamb.
- improved performance at reduced ewe body weights. There is a lot of emphasis in New Zealand on "ewe efficiency". NZ farmers expect high performance out of a 70kg ewe, i.e 150% lambing, with average weaning weight of 30kg at 90-95 days.
- Early maturity. All hoggets have been mated (at 7.5 months old) at Wairere since 1966. Since 2005 only those which get in lamb have been retained (one exception, 7% dry retained in 2009, after drought). Two thousand five hundred in lamb hoggets have been retained in 2012. These are unshephered at lambing, so easy care has been built in for 45 years.

Client comment.

George Hawker and Luke Crouch at Mt Elephant are delighted with the first lot of Wairere Romney rams. The fifteen rams covered 1600 ewes, then 900 ewe lambs.

"We took a lead from Stephen Creese in Tasmania, who has been using Waireres for three or four years. What has impressed us is the way the rams have maintained condition, despite doing a lot of work. Our composite ewes have been performing well, but we think that we can get the same performance from smaller ewes, and run more of them".



Wairere Romney/Border Merino ewe with terminal sired lambs, early SEPTEMBER.

Rams available 2012-13

Ewan Price has Romney and TefRom rising two tooth rams available, though some have been pre-booked.

Wairere plans to airfreight more rams, either Romney rising two teeth in October, or TefRom ram lambs in January. We

currently have over 3,100 Romney ram hoggets on hand; New Zealand sales start the second week of November. If you want to get in early, please fill in the enclosed booking form, or telephone or email Ewan.



Wairere Romney ram hoggets at Heywood, early September, 11-12 months old(three weeks younger than the TefRoms).

We hope you have a great season.

Warm Regards

and the
Wairere Team

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