



## Maximising beef production and profits using high quality forages



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A joint initiative of:









## Poll



#### Are you?

- a beef producer using high quality sown forages
  - for example, leucaena, butterfly pea, oats, forage sorghum, lablab etc.
- a beef producer not yet using high quality sown forages
- an industry representative

#### Poll



# If currently using high quality sown forages, do you?

- grow annual forage crops only
- grow perennial legume forages only
  - for example, leucaena, butterfly pea
- grow both types of forage

High-output forage systems for meeting beef markets - Phase 2



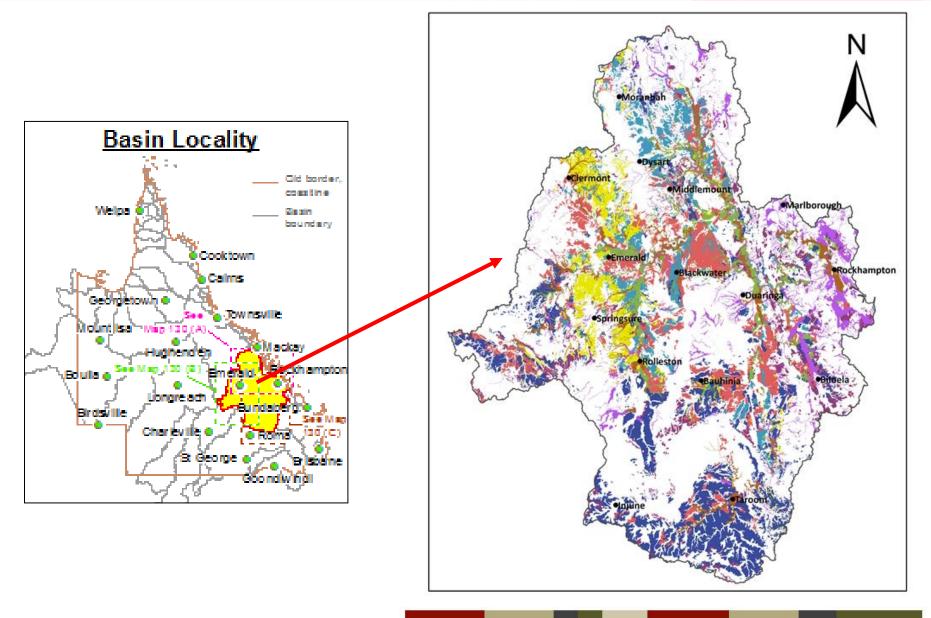
• DAF and MLA co-funded project: 2011 – 2015

- Objective:
  - to examine the relative production and profitability of alternative forage options for backgrounding and finishing cattle in the Fitzroy River catchment of Queensland



#### **Fitzroy River basin - Queensland**





#### Data from co-operator properties



- 24 forage sites on 12 properties over 2011-2014
  - annuals: oats, forage sorghum, lablab
  - perennials: butterfly pea-grass, leucaena-grass, perennial grass-only as a comparison
- 3 regions within the Fitzroy River basin
  - CQ Open Downs, CQ Brigalow, SQ Brigalow





#### **Data from co-operator properties**

- monitored forage, animal and economic performance
- 31 individual data sets



















## **Conclusions: forage production**



	A	Annual forage	2S	Pe	rennial forag	es
	Oats	Sorghum	Lablab	Leucaena-	Butterfly	Perennial
				grass	pea-grass	grass
Biomass in grazed pdk (kg DM/ha)	4,555	12,150	6,014	L: 417 G: 3,809	BP: 528 G: 4,591	3,702
Total forage growth (kg DM/ha)	8,184	19,307	9,637	n/a	n/a	n/a
Diet CP (% DM)	12.3	8.8	11.5	12.0	9.7	6.6
Diet DMD (%)	63	55	59	59	59	55

Biomass values are the peak for annuals and average over the duration of monitoring for the perennials. Leucaena biomass is only the edible material (<5 mm in diameter)

- Greatest biomass: sorghum
- Highest quality: oats (C3)
- Lablab and leucaena-grass also provided high quality diet



## **Conclusions: forage production**



- Generally soil fertility was low and fertiliser application was not common practice
  - soil N and P likely to be limiting for many annual forage crops
  - P limiting for many perennial legume-grass pastures
    - Low soil N levels were reflected in low plant CP for some cereal crops
    - most extreme example was SQB Oats 2011: soil nitrate N was 42 kg/ha; green leaf CP was 4.5% at start of grazing



## Conclusions: animal production

		Annual forage	es	Pe	rennial forag	es
	Oats	Sorghum	Lablab	Leucaena-	Butterfly	Perennial
				grass	pea-grass	grass
Total LWG	93	108	99	198	125	76
(kg/ha/yr)	(38-144)	(41-253)	(41-156)	(129-306)	(50-245)	(0-169)

Total LWG values are per total grazing area in each paddock; range of values across all sites shown in brackets

- Sown high quality forages increase beef output
- leucaena-grass beef production 2.6 times > than grass-only
- Forage sorghum: similar beef production to oats and lablab although twice as much forage biomass

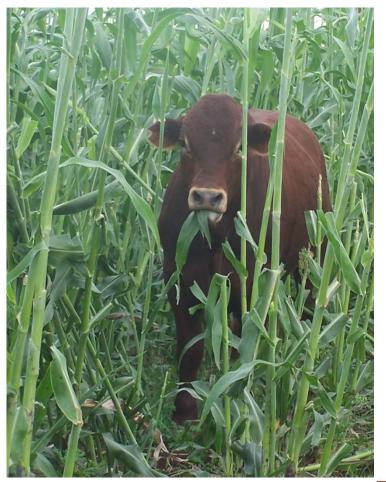






## Conclusions: animal production

- Grazing management may be limiting productivity and profitability of annuals, especially of forage sorghum
  - generally grazing started too late and stocking rates were too low





## Conclusions: animal production

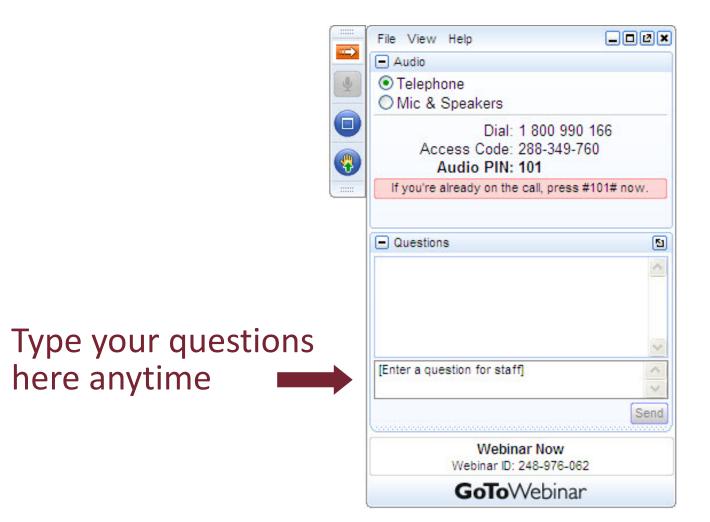
- Maximise profitability by selling cattle straight off forage
  - cattle returned to perennial grass pastures will lose their liveweight advantage due to compensatory gain effects
  - compensatory gain in such circumstances generally mean it is uneconomic to feed forages to growing stock
- Better monitoring of cattle weight gain may allow more optimal timing of sale and maximise cattle price margin





## **Questions, comments?**





## **Conclusions:** gross margins



	Ą	nnual forage	S	Ре	rennial forag	jes
	Oats	Sorghum	Lablab	Leucaena- grass	Butterfly pea-grass	Perennial grass
Forage costs	136	96	99	34	21	2
(\$/ha/yr)	(93-193)	(16-169)	(85-113)	(17-47)	(21-21)	(0-5)
Gross margin	131	54	44	184	143	98
(\$/ha/yr)	(54-197)	( <mark>-48</mark> -243)	(38-50)	(90-304)	(34-379)	(- <mark>5</mark> -285)

Owner rates; forage costs per sown forage area only; gross margin per total grazing area





## **Conclusions:** gross margins



- Profitability was the combined result of
  - forage and beef production (kg/ha)
  - forage costs (\$/ha)
  - cattle price margin (sale less purchase price; \$/kg LW)
    - influenced by management, seasonal and market factors

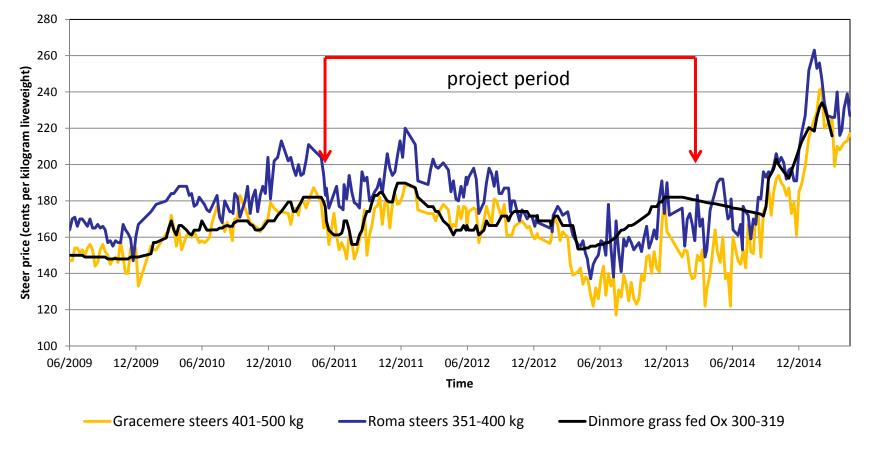




## **Prices and gross margins**



- Gross margins were calculated on the basis of the market prices available when cattle were placed on the forage and removed from the forage
- The variability in purchase and selling prices over the various grazing periods was reflected in the variability of the gross margins produced



## Paddock result vs. whole farm



- Gross margins are the first step in determining the effect of sown forages on farm profit
  - they show whether the forage activity makes a profit or loss, at the paddock level
- To determine the value of the sown forage system to the whole farm or business, a more complete economic analysis is required



#### Whole farm economic case studies



- value of the sown forage system to the 'whole farm' or business, relative to other alternatives, e.g. perennial grass or grain crop
- compare the net profit generated by alternative operating systems
- include changes in un-paid labour, herd structure and capital



## Conclusions: whole farm case studies

- Perennial legume-grass pastures, particularly leucaena
  - currently have a significant economic advantage over
    - annual forages, and
    - perennial grass pastures
  - not as profitable as grain cropping where it is a feasible alternative
- Annual forage crops
  - generally only add value to the beef enterprise if the opportunity cost of plant and unpaid labour are excluded



#### **Constructed scenarios**



- > modelled scenarios
- use long-term average seasonal conditions and market prices
- Standard management practices



#### **Constructed scenarios**



- results generally corroborate those from cooperator sites
  - same average ranking of forages for gross margin
    - except for perennial grass (6<sup>th</sup> for constructed scenarios but 4<sup>th</sup> for co-operator sites)



## In summary, top tips....



## To maximise productivity and profitability of sown forages:

- Ask the right questions
  - What is the purpose of the forage?
  - What forage types are best suited to my land type and production system?
  - What is the expected forage and cattle production?
  - What is the likelihood of the forage improving my business profitability?
- Plan ahead
- Use best practice agronomy and animal management
- Collect data and do the sums





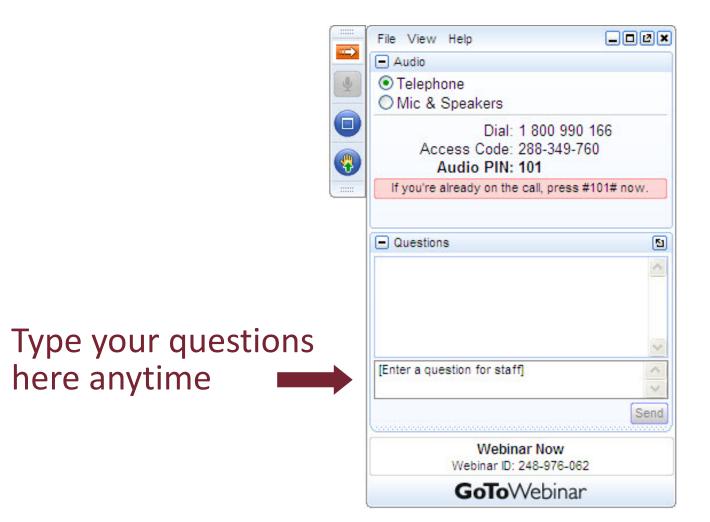


#### Do the project results?

- confirm what you already thought/knew
- contrast with your own experience/figures
- unsure/need more information

## **Questions, comments?**





## **Modelling and DST development**



- Data from field sites used to evaluate forage and animal models
- Forage models
  - GRASP
    - predicted un-grazed and grazed grass biomass satisfactorily
  - APSIM
    - Satisfactory prediction of un-grazed oats biomass
    - Under-predicted un-grazed forage sorghum and lablab biomass
    - Effects of grazing on annual forage biomass was poorly predicted





- Animal models
  - GrazFeed model under-predicted LWG of cattle grazing forage crops
  - Simple forage utilisation equation deemed most appropriate for use in simple DST
- Prototype DST, 'ForageARM' has been developed
  - Example of what might be possible if models can be improved



#### **Extension products and activities**



- Producer guide to forage use has been produced: 'Feeding forages in the Fitzroy'
- Forage gross margin calculators/spreadsheets
- Fitzroy Basin Field days

You are	e invited to	a			<b>FutureBeef</b>
Hig	n Outpi	ut Fora	ges Fiel	d Day	┍═╌╌╧╧╌╻╱
	-	lablab, oats	s, leucaena	& perennia	ll pastures
Forage	-		s, leucaena Contact:	& perennia	ll pastures
Forage Location	- e sorghum, l	:	Contact:		jim.fletcher@daf.qld.gov.au
Forage Location	e sorghum, ns and dates 2nd June 2015	<b>:</b> 8:30am – 3pm	<b>Contact:</b> Jim Fletcher	(07) 4967 0731	

## Acknowledgements



- We are pleased to acknowledge the financial support of Meat and Livestock Australia.
- We gratefully acknowledge the valuable contributions and input provided by **beef producers** across the Fitzroy River catchment who allowed collection of data from their forage paddocks and who provided information about their business to allow development of farm economic case studies.

#### • The DAF project team:

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## **Questions, comments?**



