

Setting production objectives for your livestock enterprise during drought

Bill McKiernan

Research Leader Animal Production, Production Research, Orange

Ed Clayton

Former Livestock Officer

Introduction

During drought, it is important that you constantly assess and revise your situation, and it is imperative that you make production decisions in light of both your long-term and short-term objectives.

Maintaining cash flow

Invariably one of the biggest problems during drought is a lack of cash flow. Any production planning process should include a method or methods of generating some cash flow and should ensure that income generation is possible after the drought.

Producers will often not have their cows or ewes mated in the belief that it costs less to maintain a dry empty cow or ewe than it does to maintain a pregnant cow or ewe. However, the downside of this strategy is the lack of income the following year and the fact that debt has to be carried for a longer time before income is generated to cover that debt.

Setting your production objectives

Setting production objectives for all classes of stock on your property in a drought is a prerequisite to successful drought management. In setting your production goals, you should ask yourself the following questions:

1. What is it I wish to achieve?

For example, do I want to:

- have my steers or lambs meet the market specifications?
- get my cows in calf?
- get my ewes in lamb?

2. Given my resources, what will be required in terms of inputs to reach my goals?

For example, if you have a mob of steers or crossbred lambs, you could do one of the following:

- *Sell them as stores.* This would be beneficial as far as generating income now and allowing space and resources for other animals on the property. The downside would be that the steers may not realise their potential income capacity.
- *Maintain them until conditions improve.* This is a non-productive option fraught with danger if the drought continues past the short term. It will cost you money, with no increased opportunity to capitalise on the steers' value. (See Primefact 286 *Survival feeding in drought.*)
- *Feed a production ration to reach a market outcome.* In a drought, there is quite often an opportunity to create cash flow and profit. It is a good option if store prices are low and the sale price of your steers would be poor. The key to successful production feeding in this circumstance is to do the costing/income figures first and feed your stock to a predetermined strategy and market end point. (See Primefact 287 *Production feeding in drought.*)

Further information

For further information on strategies and options in drought, see:

Drought strategies.

www.dpi.nsw.gov.au/reader/drought-strategies



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