

## Drought hints

### Bill McKiernan

Research Leader Animal Production, Production Research, Orange

### Ian Blackwood

Livestock Officer, Extensive Industries Development, Paterson (Tocal)

### Ed Clayton

Former Livestock Officer

### Reminders

The following general hints are handy to keep in mind when a drought is in its early stages. They may appear to be just simple common sense, but it is easy for these to be overlooked at this early stage:

- Make decisions early and review them regularly.
- Don't wait – set a timetable and keep to it as closely as possible.
- It is a common belief that livestock will be expensive and unprocurable at the end of a drought – this has not been the case after past major droughts.
- Paddocks that have poor water should be grazed first.
- Don't forget about the routine procedures for maintaining animal health, particularly drenching against worms.
- Wean calves – feeding cows with calves is expensive.
- Consider changing from hay to grain – cost hay against grain.
- Pregnancy test – why feed non-productive animals?
- Condition score your stock.
- Mouth older stock.
- Assess the structural soundness of your stock.
- Cull stock that are not up to scratch.

The following advice is more in-depth than the general hints given above. You should review it early in a drought and use it to help you plan your strategies.

### Plan your strategies early

Droughts develop progressively, not overnight. Use the early period of a drought to plan the main strategies you will need to implement in order to ensure the economic survival of your business.

Experience that has been recorded from previous droughts provides some guide as to what can happen. While such factors as stock prices, feed costs, availability of feed, and interest rates will vary, the following points typical of all droughts are worth considering:

- During droughts, decisions are often made on an emotional rather than a logical basis. Try to make objective decisions, and seek skilled help when necessary.
- One reason often given for retaining livestock in early drought is that the stock on hand are thought to be of superior quality and that replacing them at reasonable cost would not be possible. Except for seed-stock animals, this is rarely the case.
- Not all aspects of drought are bad – it can lead to opportunities for making money from enterprises such as lot-feeding, and this experience can be used to your advantage in normal seasons.
- The producers who do best during droughts are those who adopt sound management and financial plans, review these regularly, make firm decisions, and act early and quickly.

### Be on the alert for opportunities

Every drought is different, so you must evaluate all possibilities. Be on the alert for opportunities such as these:

- buying or leasing land instead of buying feed;
- replacing old animals with younger ones;



- changing breeds.

A single trading decision at the right time could contribute more to your viability than a lengthy feeding program. Remember also that your ability to take advantage of opportunities depends on maintaining stock in saleable condition.

### **Act quickly to reduce risk**

The higher the risk of a major crash in the market, the more important it is to take progressive action early. Dollars earned from selling culled animals while the market is still strong will give you greater flexibility should conditions deteriorate.

Factors affecting risk are:

- the total population of cattle and other livestock;
- the killing capacity of the abattoir;
- strength of the store market and export market;
- the extent of the drought-affected area;
- the time of year and the likelihood of rain;
- the adequacy of feed supplies in your district and elsewhere;
- the number of animals in feedlots.

### **Assess your position**

When assessing your own position, think about the risk factors and ask yourself the following questions in the key areas of stock, finance and feed.

#### **Stock**

For each class of stock, ask yourself the following:

- How quickly are my stock losing weight?
- When will I have to start to feed / increase feed / agist / sell?
- Should I cull again?

#### **Finance**

- What are my stock worth on the market, and what are the market prospects?
- Are there other trading opportunities? For example, sell cows? Buy yearlings? Buy sheep?
- In terms of dollars per head per month, what is it costing to feed my stock?
- What can I afford to spend on maintaining my stock?
- What are the taxation considerations?

#### **Feed**

- What feed do I have? Is it suitable?
- Assuming purchases will be necessary, what is the price and availability of suitable feeds?

- Is it worthwhile selling conserved fodder, such as hay, and buying another type of feed, such as grain?
- Will reserves be adequate for covering increased seasonal needs, for instance at calving or in winter?
- Have I allowed for full drought feeding or only for supplementary feeding?
- What are the prospects for agistment or leasing?

### **Review your progress regularly**

The extra worry and stress caused by a drought, especially when you are preoccupied with feeding regimes, makes it hard to think logically about the big decisions. But it is vital to take time to review what is happening, to relate the changing situation for stock, feed or agistment, and to look ahead to the next step in your drought management program.

Review progress systematically and regularly, say once a month. By planning, you can retain some feeling of control and anticipate each major crisis.

Sometimes it is beneficial to have an outsider help with your assessment. Your local NSW Department of Primary Industries Livestock Officer can help you to assess your options.

### **Develop skills for assessing pasture**

Develop your assessment skills for pasture quantity and quality. Good drought management relies on matching animal requirements with available pasture. Degradation of pasture leads to future income reduction and soil loss.

### **Make sound livestock decisions**

In early drought you should aim to:

- reduce grazing pressure by selling, agisting, culling or lot-feeding stock – this is the most effective way of staying viable and reducing costs should drought persist;
- continue a positive cash flow by selling some stock;
- keep your options open;
- concentrate your effort on the animals that have the potential to earn the most money – your enterprise is then more likely to stay productive.

Draw up a timetable with progressive deadlines for taking action, such as seeking agistment, selling stock, or starting to feed. It is common to feed stock during dry spells and seasonal shortages of feed. However, full drought feeding can be expensive, laborious, depressing and frustrating. Make sure you evaluate and implement options that reduce or eliminate feeding wherever possible.

## Further information

The NSW Department of Primary Industries website has a wealth of information available at

[www.dpi.nsw.gov.au/drought](http://www.dpi.nsw.gov.au/drought)

---

© State of New South Wales  
through NSW Department of Primary Industries 2006

ISSN 1832-6668

Replaces Agnote DAI-155 *Drought hints for a beef cattle enterprise*

Check for updates of this Primefact at:

[www.dpi.nsw.gov.au/primefacts](http://www.dpi.nsw.gov.au/primefacts)

Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (November 2006). However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of New South Wales Department of Primary Industries or the user's independent adviser.

Job number 7061