

Building a resilient sheep system

When Charlie and Kate Croft took over the family farm five years ago, they could not have anticipated the climatic challenges that lay ahead.

Kate says they had one good year, after which they were thrown into a three-year drought that killed 130-year-old Macrocarpa trees, tested their fortitude and stretched their overdraft.

The couple joke that the drought taught them how to spend money, but it also taught them the power of feeding. Their willingness to invest in supplementary feed and off-farm grazing meant animal productivity wasn't lost and they have come through the drought relatively well.

"We were in crisis mode for a while, and as the focus was on maintaining stock performance, we learnt how to spend money," says Kate.

In the midst of this challenging period, the couple joined Alliance Group's Red Meat Profit Partnership programme as an individual pilot farm, seeing the initiative as an opportunity to explore ways in which they could build resilience into their farm system while increasing profitability.

Through the RMPP programme, Wayne Allan was engaged to work with Charlie and Katie to identify opportunities available to them.

With the drought in full force, their focus was on keeping their stock fed and ensuring that the impact of the drought this season didn't affect their production in the following season. Under the guidance of Wayne, Farmax was used to model the property to consider their options and achieve their goals.

This came down to two factors; including more dry-tolerant forages into their system and running a more flexible stocking policy.

The Crofts farm 300ha of flat to rolling country at Waipara in North Canterbury. While the dry summers favour the region's thriving viticulture industry, it does make sheep farming challenging- however the Croft's operation has two significant advantages; the first is that it is very early country, and the second is their skills and willingness to try new management practices. The farm also benefits from a mix of soil types which means some parts of the farm are slower to dry out than others.

The farm had always been an intensive sheep-only operation. Up until a few months ago, they had been running 10su/ha- this has now dropped slightly as they sold ewes to make the most of a strong ewe market and to make way for trading stock.

When Charlie and Kate took over the farm they inherited a Corriedale ewe flock into which they have introduced North Island Romney and RomTex genetics. A Lamb Supreme is used as a terminal sire.

This crossbreeding has increased fertility and the ewes are now scanning 175 per and consistently lambing around 142 per cent – something Charlie wants to push higher.

Before joining the RMPP programme, they were running 2300 ewes and 500 hoggets- all of which were mated. This meant that every animal on the farm was high priority for most of the year- there was no safety valve in the system. But the drought, coupled with a decision to reduce ewe numbers and, when seasons allow, run winter trading lambs, has seen ewe numbers drop to 1850.

The idea to include winter trading lambs in the business came out of a Farmax modelling exercise. Consultant Wayne Allan crunched the numbers and looked at various scenarios and options that would generate the greatest financial return and provide flexibility while suiting the Crofts' management.

The couple point out that with no cattle yards and only sheep-proof fences, they simply don't have the infrastructure to carry cattle at this stage, but won't rule it out as a future possibility.

Their early country also suits an early lambing and finishing system and the grazing habits of their composite ewes means they are very good at clean up paddocks- so there is little tag.

The other significant change the Crofts have made in the past couple of years is to increase the area in lucerne, clover and lucerne-based pastures. Ultimately, they would like to have 30 per cent of the farm in these forages.

Through the RMPP programme, Professor Derrick Moot spent a morning on the farm, advising them on how best to incorporate legumes into their pastures and management effectively. In the afternoon, their local farm discussion group met on Croft's farm and shared the insights Professor Moot offered.

Along with pure stands of lucerne, they are now growing lucerne and cocksfoot mixes and including subterranean clover in their pastures mixes.

While they still have ryegrass pastures- which give them some winter growth – the legumes provide better spring, summer and autumn production.

Charlie says they had already begun the process of increasing the area in legumes, but the RMPP programme was a catalyst to speed it up.

"We have always some lucerne but we have now added another 40ha of it onto our north-facing hill country."

This included carrying out whole-farm soil tests and following the existing pasture-renewal process of putting the paddock through green-feed crops before going into permanent pastures.

The soil tests showed good fertility levels- with very high Olsen Ps and sulphur being the only limiting nutrient.

Denise Bewsell, the Red Meat Profit Partnership's Extension Specialist Manager, said the Crofts' experiences are a good example of how the programme can help farmers to improve productivity. "The ultimate aim of the extension programme is to see positive change on farms. Charlie and Katie are already achieving some of their goals, and this is a very good example of the kind of outcomes we are aiming for.

"It demonstrates what farmer can achieve when they have support systems in place around them, including building good relationships with meat processing companies."

Playing to their strengths

Having grown up on the farm, Charlie knows its strengths and weaknesses and manages accordingly. Being close to the coast, they do get some pasture growth over winter and this allows them to start lambing in early August.

Lambing runs over two months, as different mobs lamb at different times to spread weather risk.

The farm comes into its own in early spring, with early pasture growth – and sub clover which is endemic in much of their established pasture – helping drive lactation and lamb growth rates. This means they can start skim drafting in late October, early November and hit the early season premiums. It also means they can sell cull ewes before the summer dry.

This year 64 per cent of their lambs were sold before weaning at an average of 17.8kgCW and 58 per cent of the hogget lambs were finished off their mothers at an average of 17.5kg CW.

Lucerne plays a big part in their hogget performance. It generates high quality feed for the hoggets and their lambs and this keeps the hoggets growing while they are lactating. This year, the hoggets weighed between 60-plus kilograms post-weaning which means the Crofts just need to maintain them over summer, before they are flushed at mating, along with the mixed-age ewes, on rape crops.

Wayne says most of the money made on dryland, east coast sheep farms is made before Christmas and with the Crofts early lambing coupled with early season forage production will enable them to maximise returns between August and December.

Flexibility

With the drought behind them and having reduced ewe numbers and increased the area they have in legumes, the Crofts will now be in a position to take on trading lambs this winter- provided the price is right. They may also consider buying in fine-wool lambs as a trading option in the future as their feed demand would suit the pasture growth curve on their farm.

Along with green feed and kale crops, they also grow a crop of barley or oats every year. These are either harvested and the grain sold as a cash crop or used on-farm or, in dry years, made into baleage.

Farming close to numerous vineyards, they also have the opportunity to graze vineyards over winter, which is mutually beneficial to both parties. This grazing arrangement was invaluable during the drought.

Growing the business

Through the RMPP programme, the couple have been refining their management to build resilience and flexibility into their farm system. They are also growing their business incrementally by leasing blocks of land and will keep an open-mind around land purchases in the future.

Working as part-time a nurse in the local medical centre, Kate does bring in some off-farm income, but also plays a vital role in the farm business. The couple gets help from Charlie's father – who lives on the farm – and from other family members.

Most importantly, the farm needs to operate to allow Kate and Charlie to spend time with their two daughters aged seven and 10.

Shona Frengley, coordinator of the RMPP Pilot farms for Alliance Group, has been impressed with Charlie & Katie's approach to participating in the RMPP Pilot Farm project. "At times, I couldn't see how Charlie and Katie could look beyond the drought to consider anything else that was in front of them.

"The easy option would have been to drop out of the project as for a time, it seemed there was very little to offer that didn't add to their stress and workload.

"Their positive and determined approach and their willingness to take advice and make changes to their operation has resulted in a more flexible and responsive farm system."

Like other individual pilot farmers, Charlie and Katie have expressed an interest in being involved in the next phase of RMPP's extension design project, the Action Network. "Charlie and Katie would be valuable members of an Action Network group, being able to share their experiences with other group members and encourage them to keep an open mind to opportunities, even in times of hardship"

They have valued the opportunity to be part of the RMPP programme, particularly the exposure they have had to experts such as Wayne Allan, Derrick Moot and Shona from Alliance.

"It has made us think about the industry as a whole," says Charlie.

"It has broadened our horizons as we have had the opportunity to see how the whole red industry works.