Keywords: conversion, dairy farming, soil fertility, pasture, productivity, profitability

Area

161 effective hectares on the dairy unit plus lease of 79 hectares

History

In 1991 we were farming the original 120 ha sheep property. Lloyd was working almost full time as a truck driver in order for us to support two families on the property. We basically had three options available to improve our net income and equity. They were to either get bigger, to diversify or to intensify further. Over the last 10 years we have done all three of these. The first and major hurdle though, was to change our farming system to dairy production.

Stock numbers

Since the conversion to dairy production, our stock numbers have been as follows:

<table>
<thead>
<tr>
<th></th>
<th>1992/93</th>
<th>1996/97</th>
<th>1999/00</th>
<th>2000/01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cows Wintered</td>
<td>235</td>
<td>357</td>
<td>434</td>
<td>465</td>
</tr>
<tr>
<td>R1yr Heifers</td>
<td>67</td>
<td>92</td>
<td>116</td>
<td>112</td>
</tr>
<tr>
<td>Cows Milked (1/12)</td>
<td>225</td>
<td>340</td>
<td>418</td>
<td>440</td>
</tr>
<tr>
<td>Cows/ha</td>
<td>1.9</td>
<td>2.68</td>
<td>2.66</td>
<td>2.80</td>
</tr>
</tbody>
</table>

Production

We have been lucky enough to have had good growth in our production since conversion. In doing this we have maintained a good level of per-head production.

<table>
<thead>
<tr>
<th></th>
<th>1992/93</th>
<th>1995/96</th>
<th>1999/00</th>
<th>2000/01 (budget)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total kg MS</td>
<td>89387</td>
<td>128163</td>
<td>183771</td>
<td>189200</td>
</tr>
<tr>
<td>Kg MS/ha</td>
<td>725</td>
<td>1068</td>
<td>1168</td>
<td>1203</td>
</tr>
<tr>
<td>Kg MS/cow</td>
<td>397</td>
<td>420</td>
<td>440</td>
<td>430</td>
</tr>
</tbody>
</table>

Soil fertility

We test soil annually and have calculated out maintenance requirements at 50 kg of Phosphate/ha, 65kg of Potassium/ha and 400 kg of Lime/ha.

Pasture

We have always had a good re-grassing programme. Prior to conversion we only had one-quarter of the farm over 8 years old. Prior to being in sheep, quite a large percentage of the property had been cropped in cereal. Since conversion, we have re-grassed three to four paddocks annually or about 8–10% of the property.

Last year we started a pasture variety trial which has shown some interesting results which no doubt will be discussed at the field day.

The big change

In doing a dairy conversion, our overriding goal was to be able to stop driving trucks and to work the home farm. To do this we had to be very open-minded perhaps even a little radical and look outside the square. Doing a conversion now doesn’t seem like such a big deal but back in 1992 we were in the very first wave and among the very first sheep farmers to start up milking their own cows.

We looked at many different options: deer, free range chickens, buying more land and almost as an afterthought, dairying. We did a full feasibility study on the conversion even though looking back on it now, the production targets we set were almost comical. The Southland production averages at that time weren’t that flash (620 kg MS /ha) and so even if we only did average production, the figures looked pretty good.

Once we decided to go dairying, we

- Tendered our finance package – a reasonably new concept back then
• Tried to get the best cows that money could buy
• Learned how to milk cows
• Went to discussion groups
• Used professionals to give us advice

and as a result we listened and learned heaps.

Now that we are here the main differences we have noticed between dairy and sheep are:

• Longer hours of work but less physically demanding and more time off
• Much more business-like approach
• Significantly bigger profits and much more tax
• More options to improve financial position.

Nine years ago we reached a crossroad. We looked at all the opportunities for profit improvement and we settled on a shift to dairying. Looking back, we are happy with our decision and are really glad we didn’t procrastinate and we did take the bull by the horns. We have been amazed at how naive we were at the start and each year we seem to have new a challenge in front of us. Our horizons keep getting stretched every year and if there is something that we have learnt, it is that we all need to “Find the windows of opportunity and take them”.