

Intensification of Home Grown Feed: where to next

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THE UNIVERSITY OF
SYDNEY

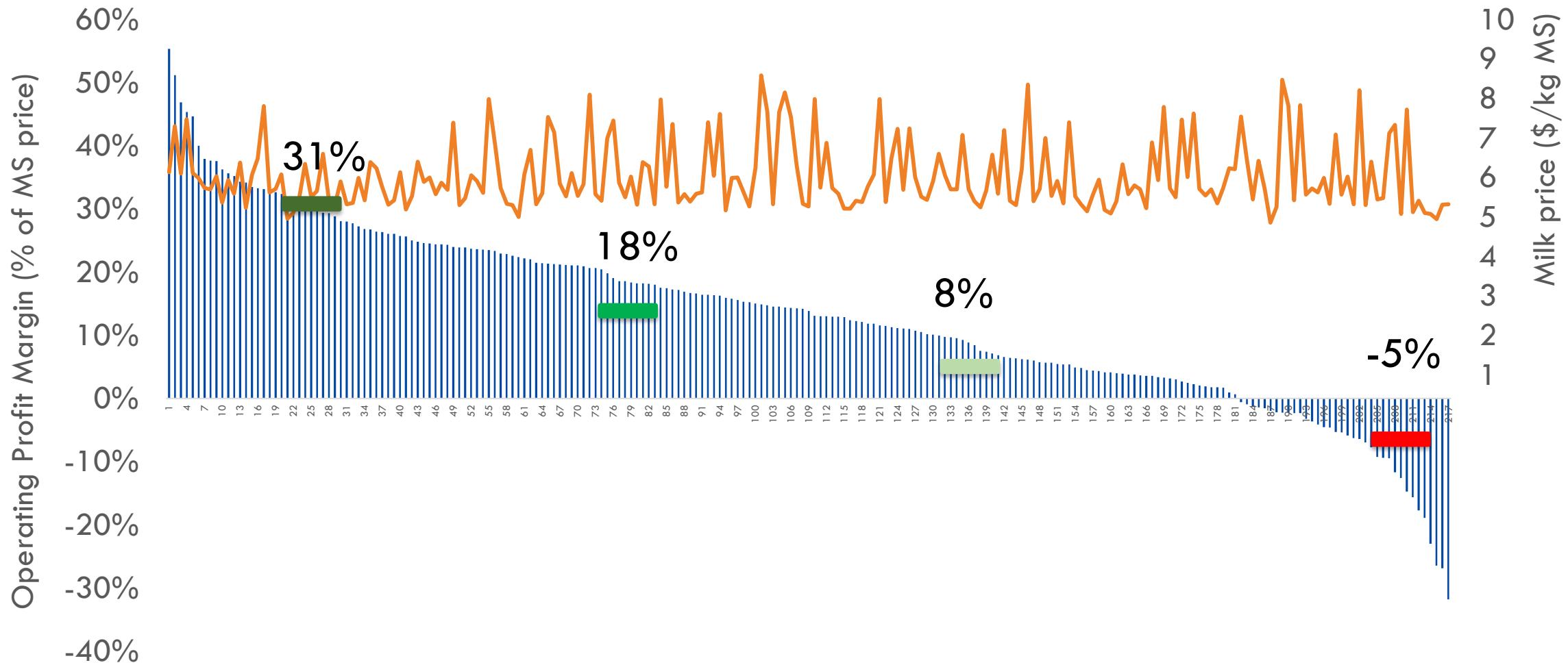




Profitability

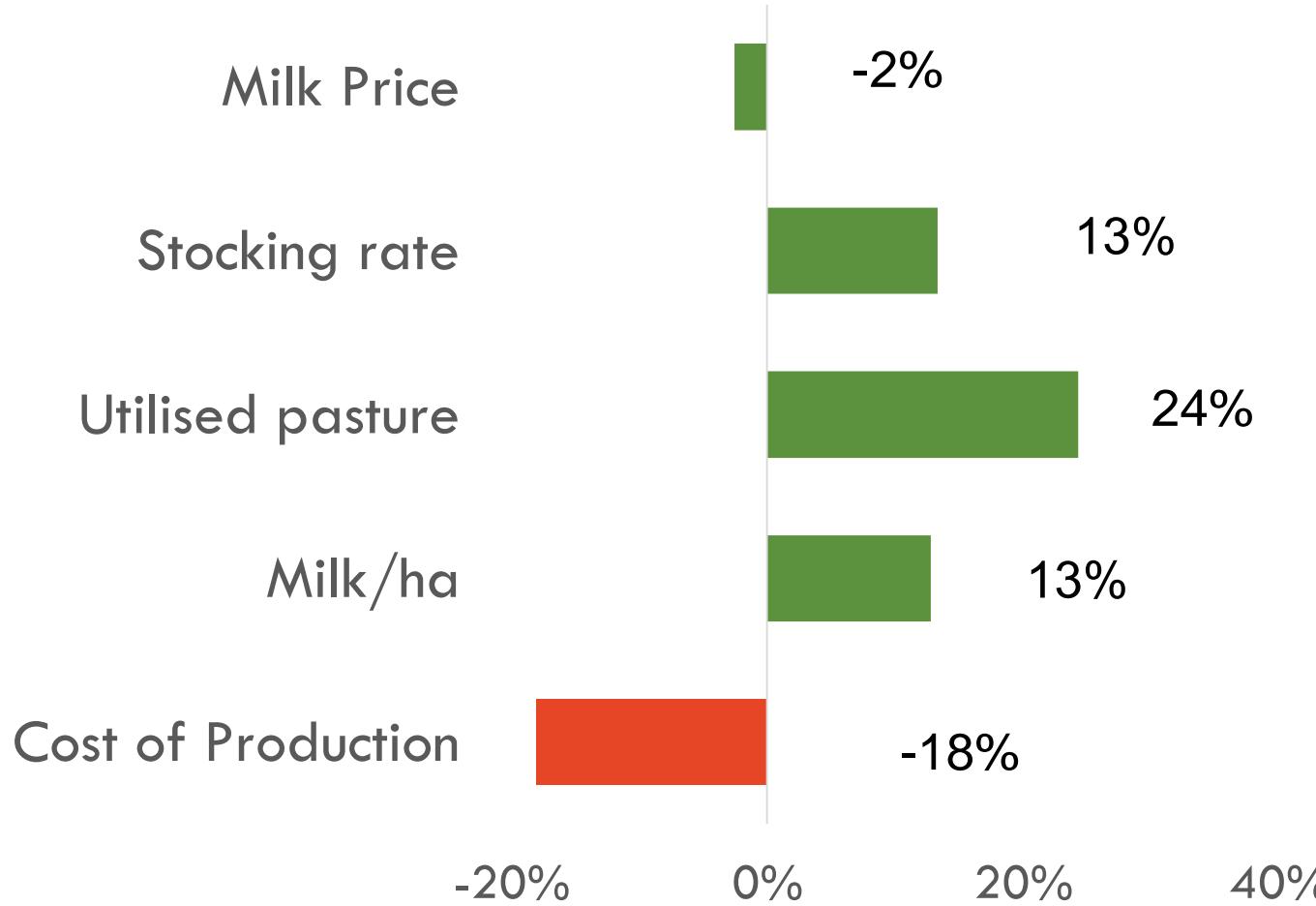


Operating Profit Margin (or EBIT) as % of Milksolids price



What do top farmers do differently..?

Most profitable farms (31% OPM) vs Average



Data source: DFMP

Which Production System?



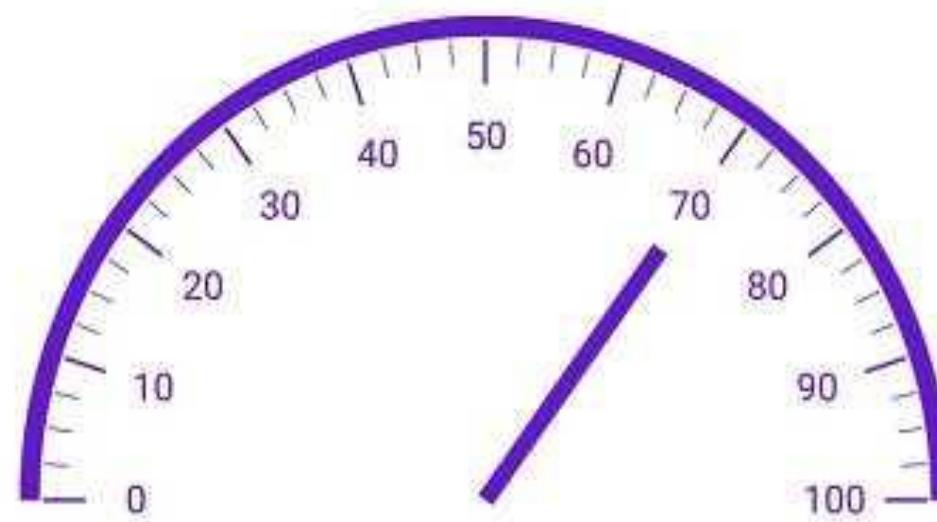
Feed: ~50% of cost
in any system



Learnings



Role of research: what is possible?



Profit-meter



Maize

25-28tDM/ha



Forage rape

~8-10tDM/ha



Legume

~5tDM/ha

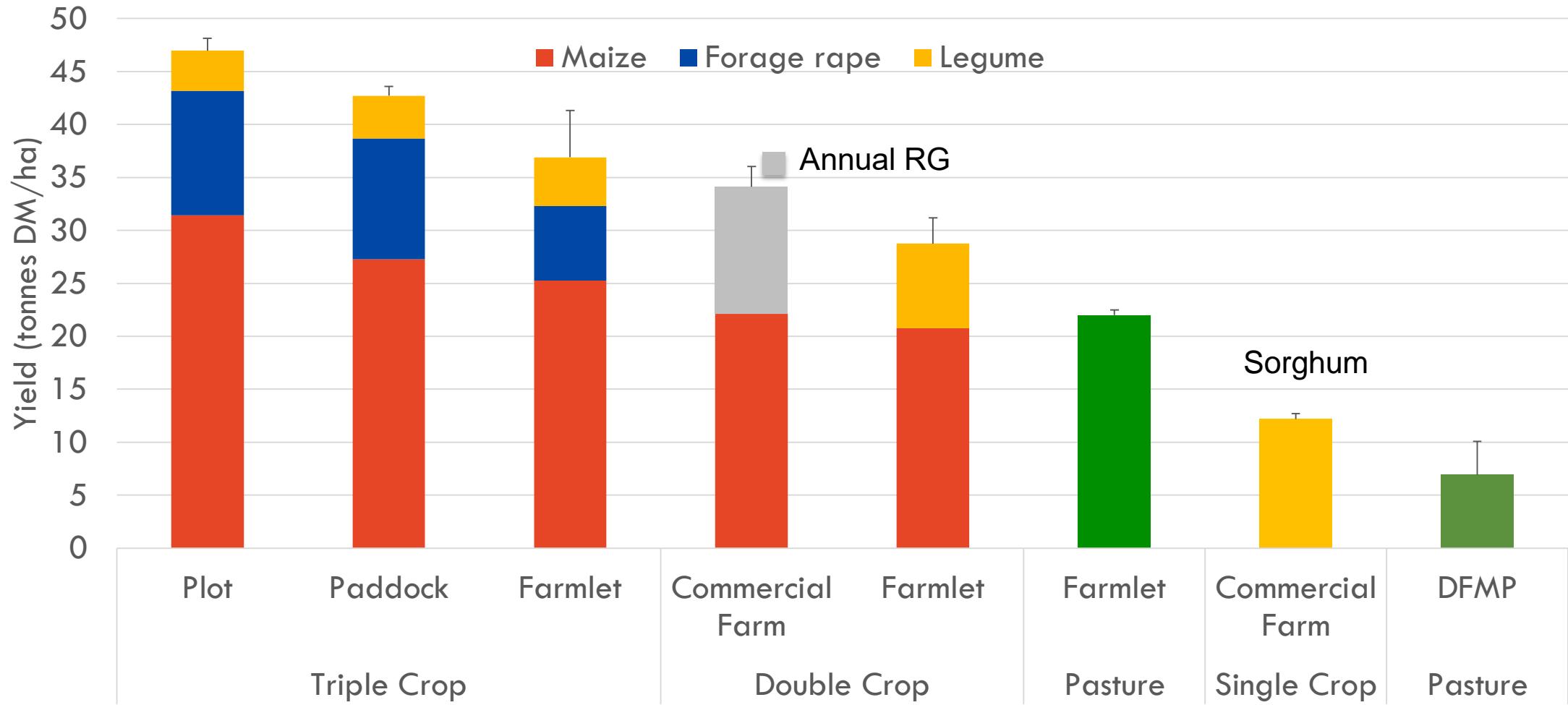


Pasture

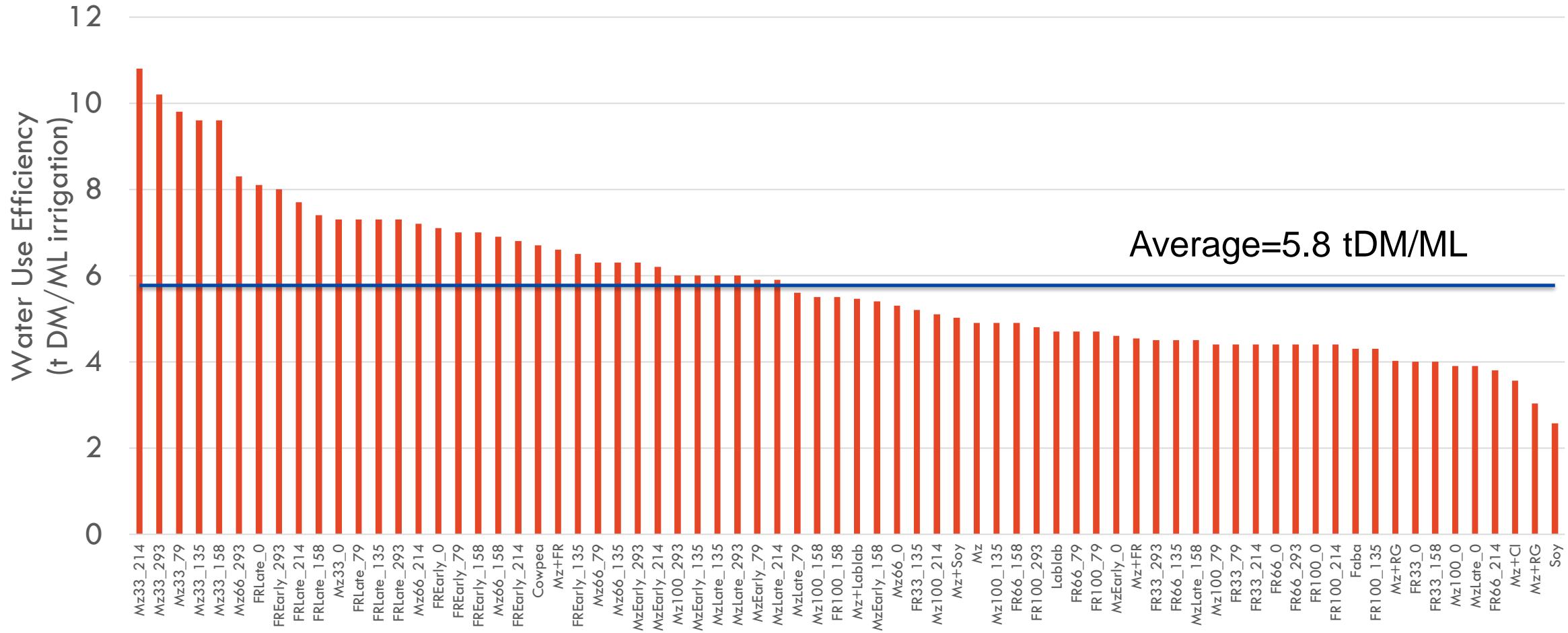
18-22tDM/ha



The 'efficiency toll'...



Apparent Irrigation Water Use Efficiency



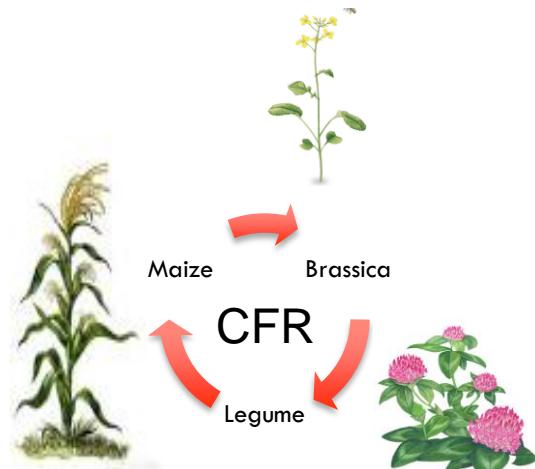
Complementary Forage System: 100 cows in 21.5 ha

Pasture
65% of area



22 ton
utilised
DM/ha

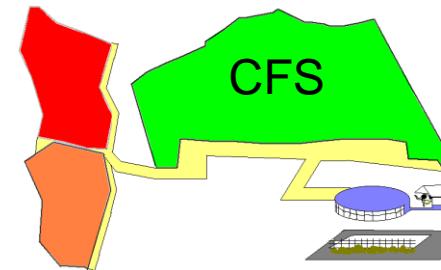
Crops
35% of area



40 ton
utilised
DM/ha



7,700 L /cow
with 1 ton/cow of
grain



> 2,150 kg
MS/ha from
home-grown
feed

Key learnings

- Achievable, repeatable, sustainable
- Highly Flexible
- More Economic than other intensification strategies
- But more Complex!

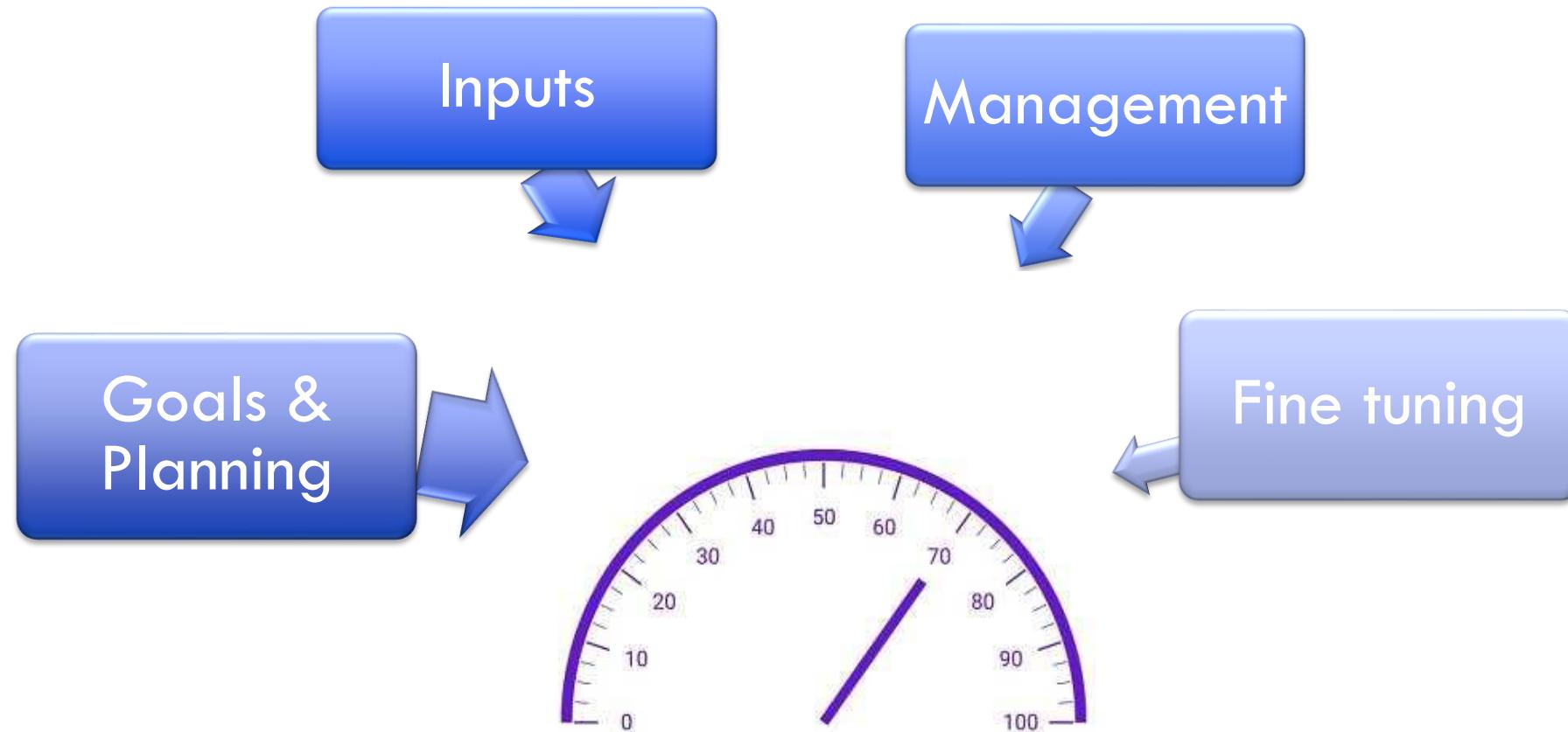


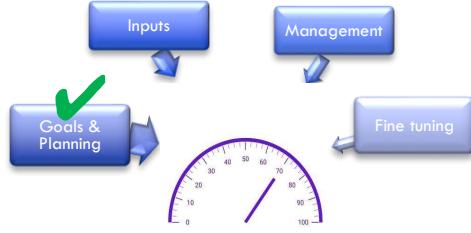


Losses



Where are the losses..?





Start from profit to end with profit...

What
EBIT and
margin?



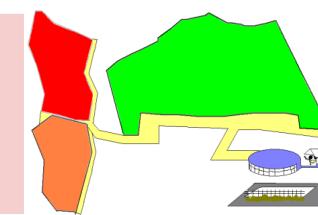
How much
milk?



How many
cows?



Which
system?



What
forages?

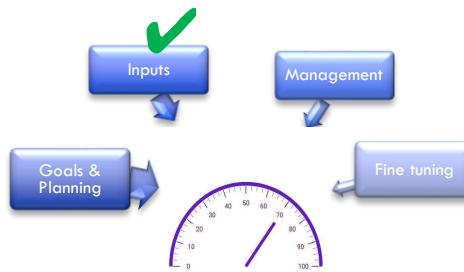


E.g. EBIT
\$250k
\$7/kgMS

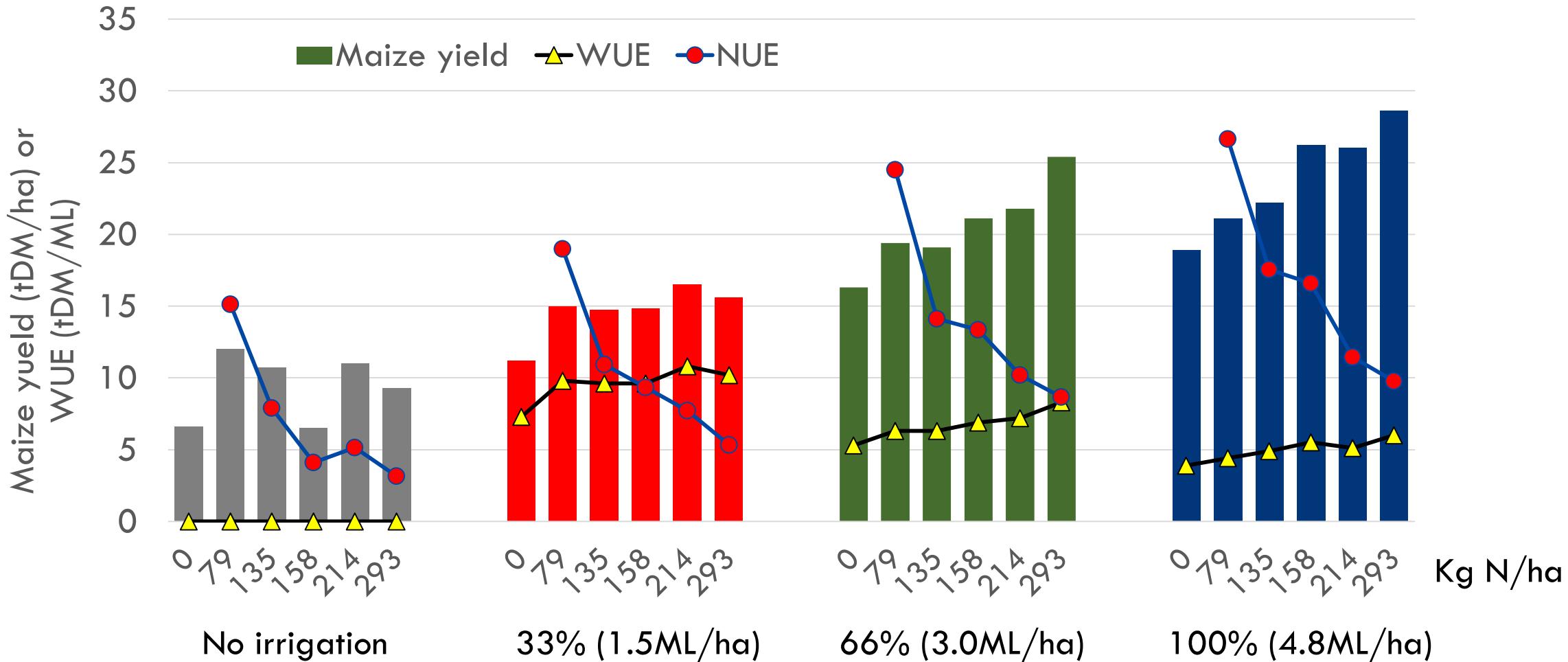
@11%(NSW)=4.5M L
@24%(TAS)=2.1M L

~560 cows
~262 cows

SR? Grain level? Forage base?

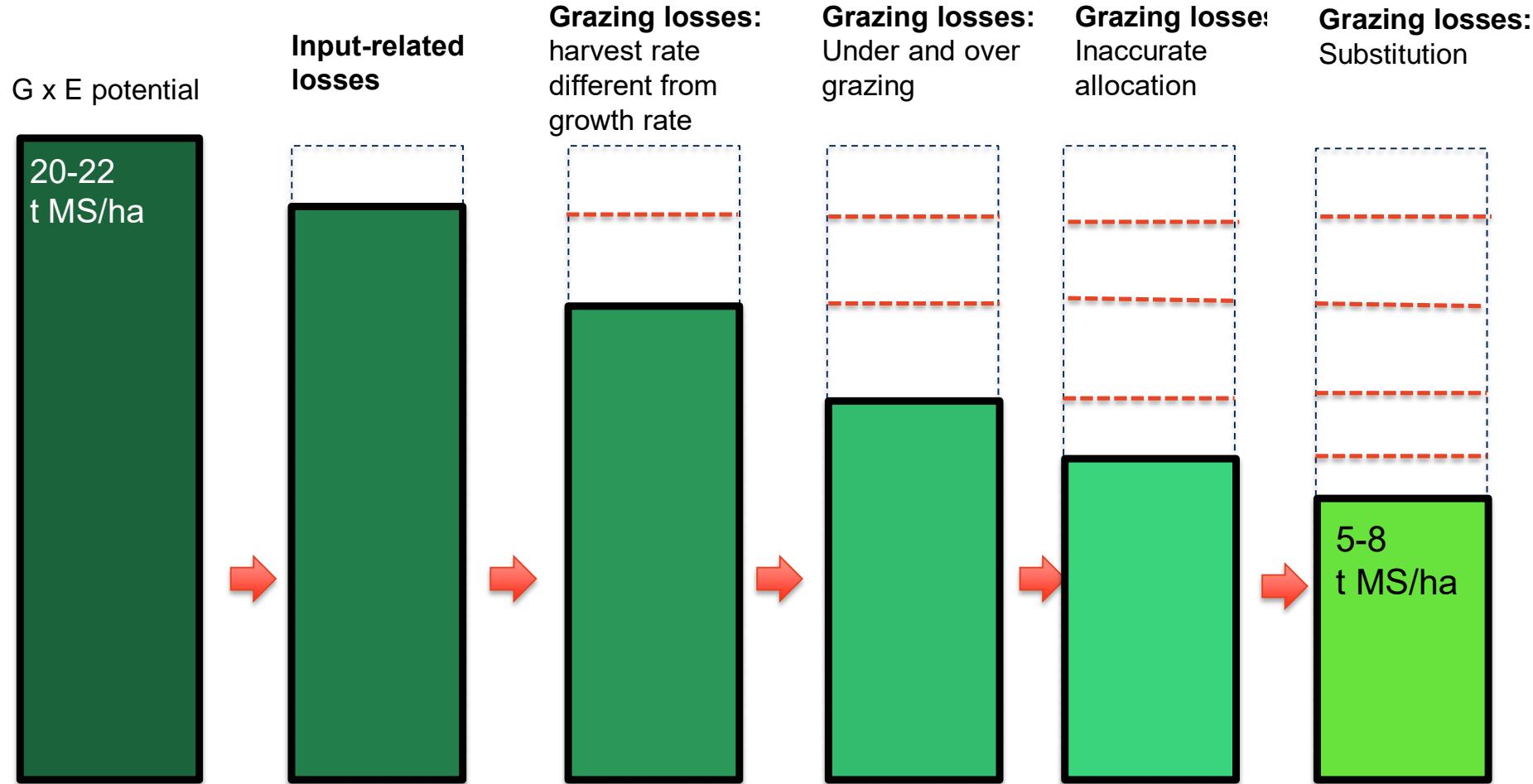


Yield, Water, and Nitrogen Use Efficiency in Maize



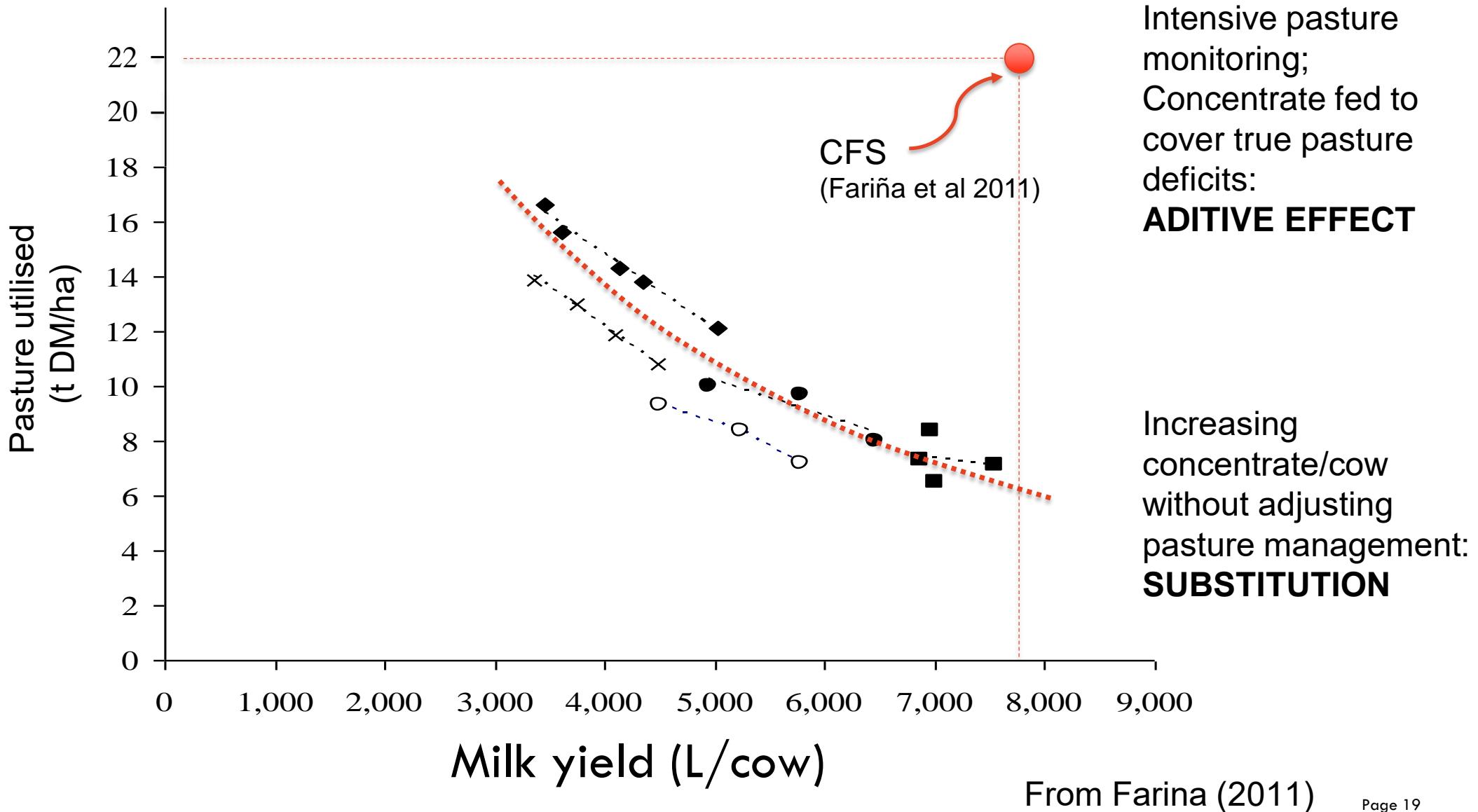


Management



Garcia et al 2014

The hidden losses...

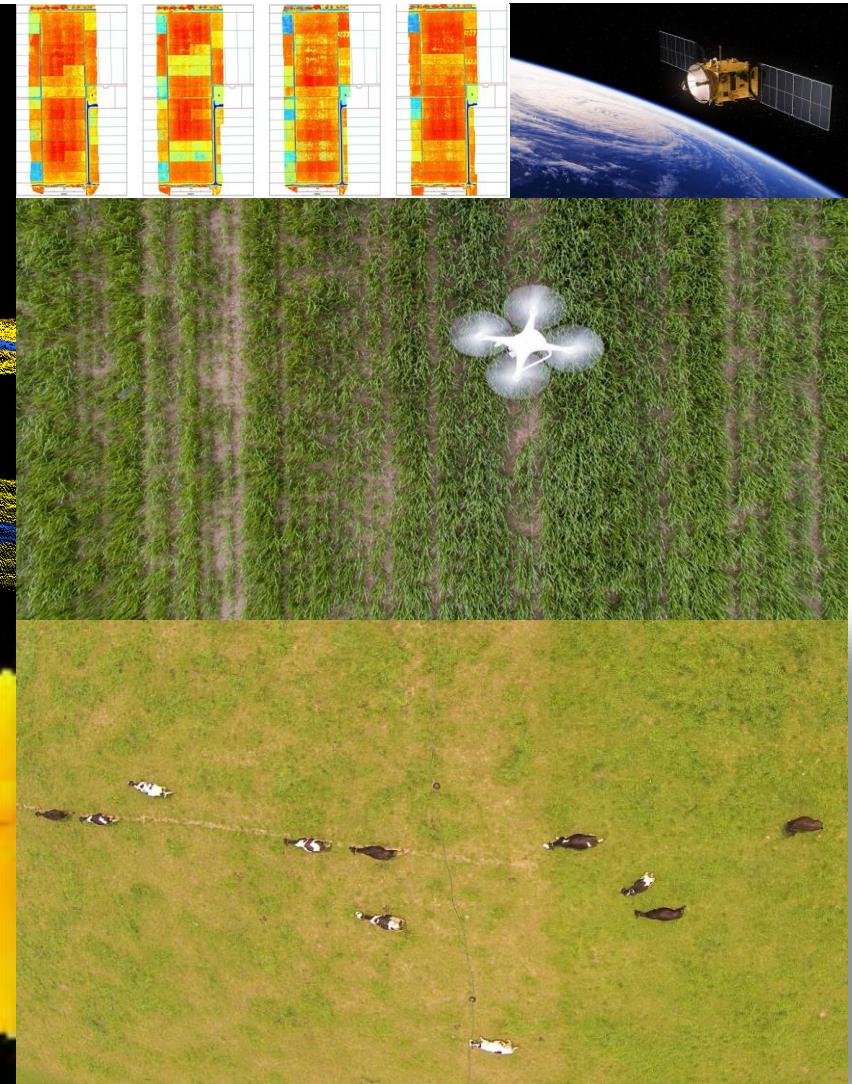
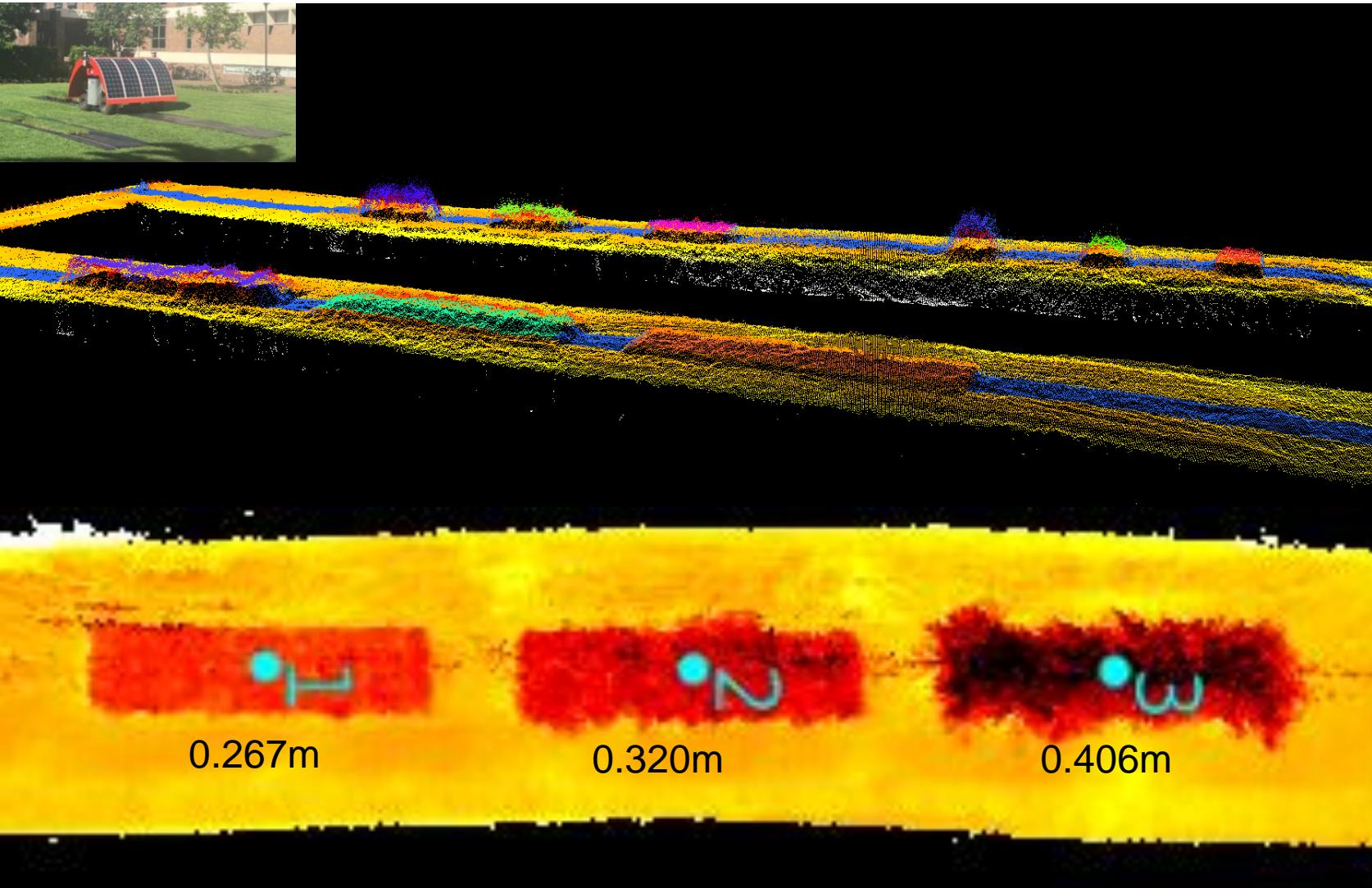




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Where to next...

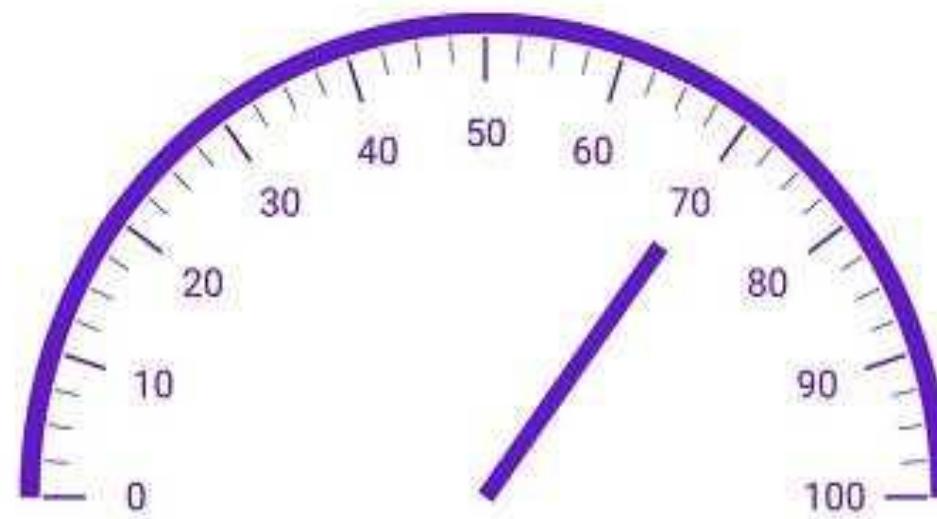
Reducing complexity in management



Where to next

- Reducing complexity through automation
- Eco-friendly nutrient management
 - Compost-effluent
 - Legume-based HGF
 - Biofertilisers (PGPR)
- Designer crop:
 - Genetic engineering..?
 - Ratoon corn?

In summary...



Profit-meter

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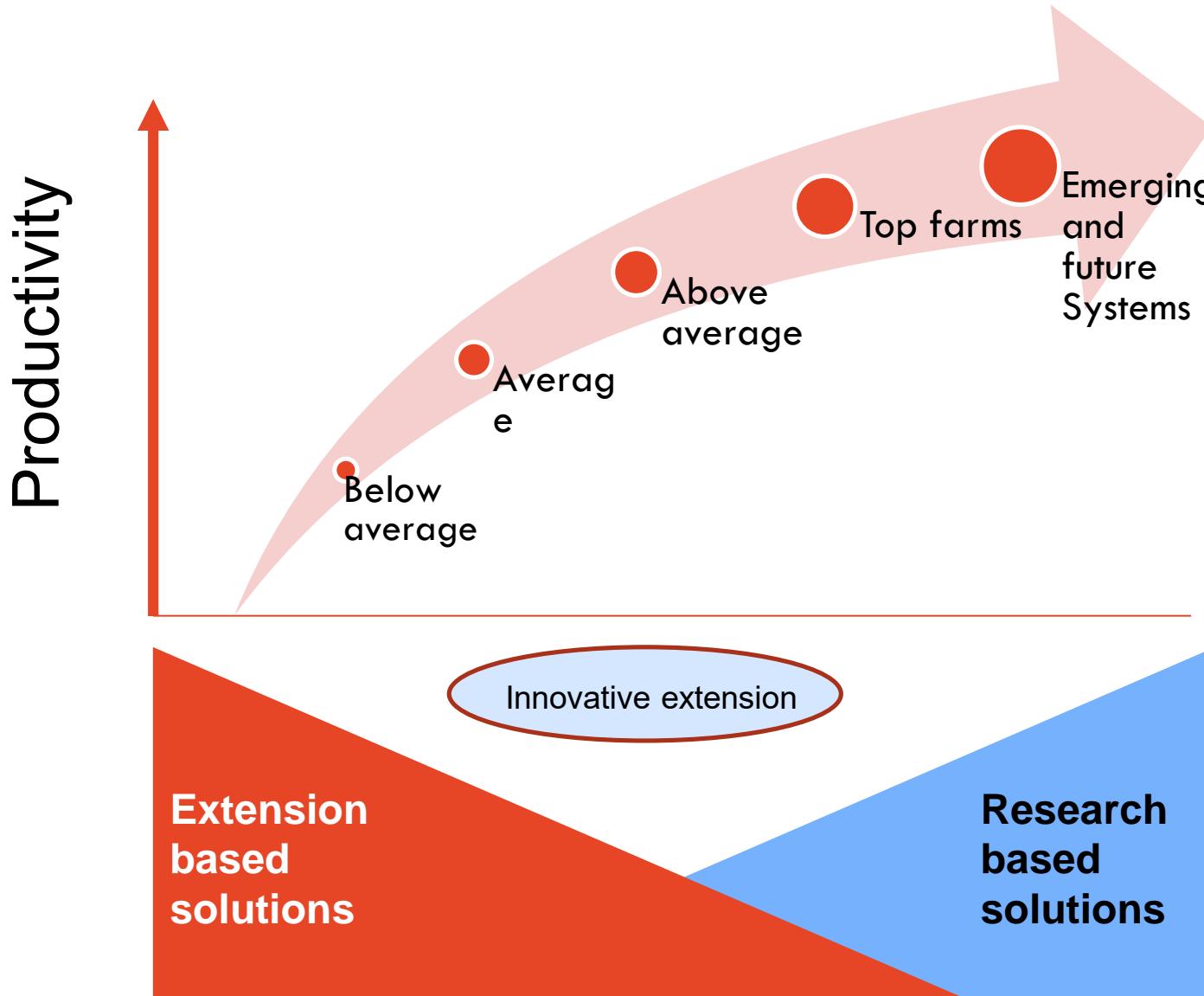
What do top farmers do differently..?



Data source:

- Argentina (CREA)
- Australia (RedSky)
- Chile (TodoAgro)
- Chile (Colun)
- New Zealand (RedSky)
- Uruguay (FUCREA)

Intensification: different for each farm/system



CFS > Grain > Leasing more land

HUNTER VALLEY

FARM 5

Leasing more land

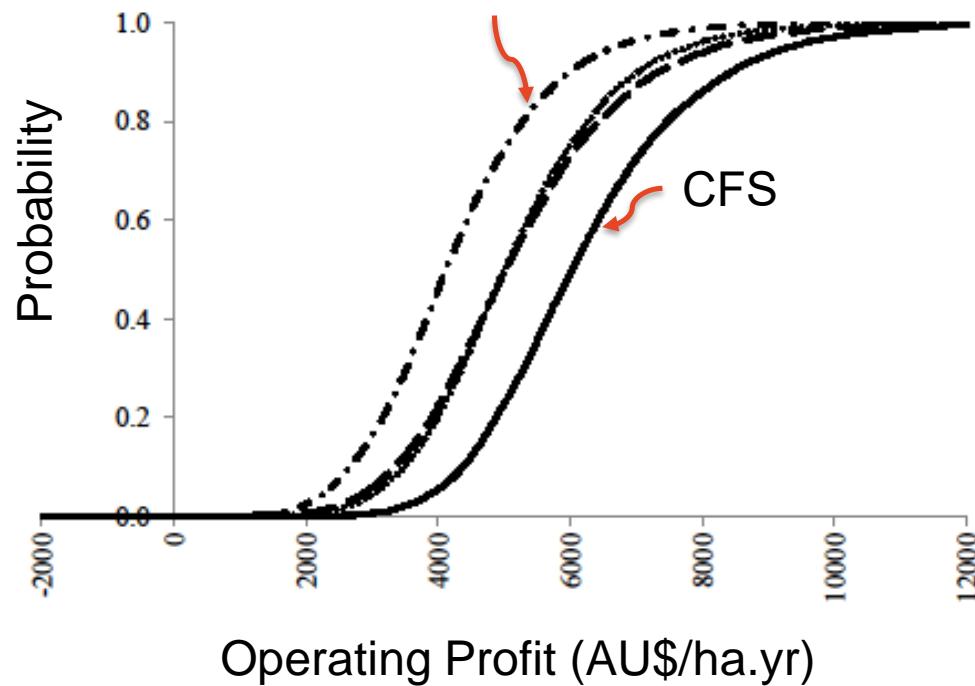


Figure 5-9: Cumulative probability of operating surplus (AU\$/ha.year) for Base (round circles.....), CFS (solid line —), Feed (long dash -----) and Leasing Land (dash/dot) for FARM 5 when all variables are simulated to vary stochastically.

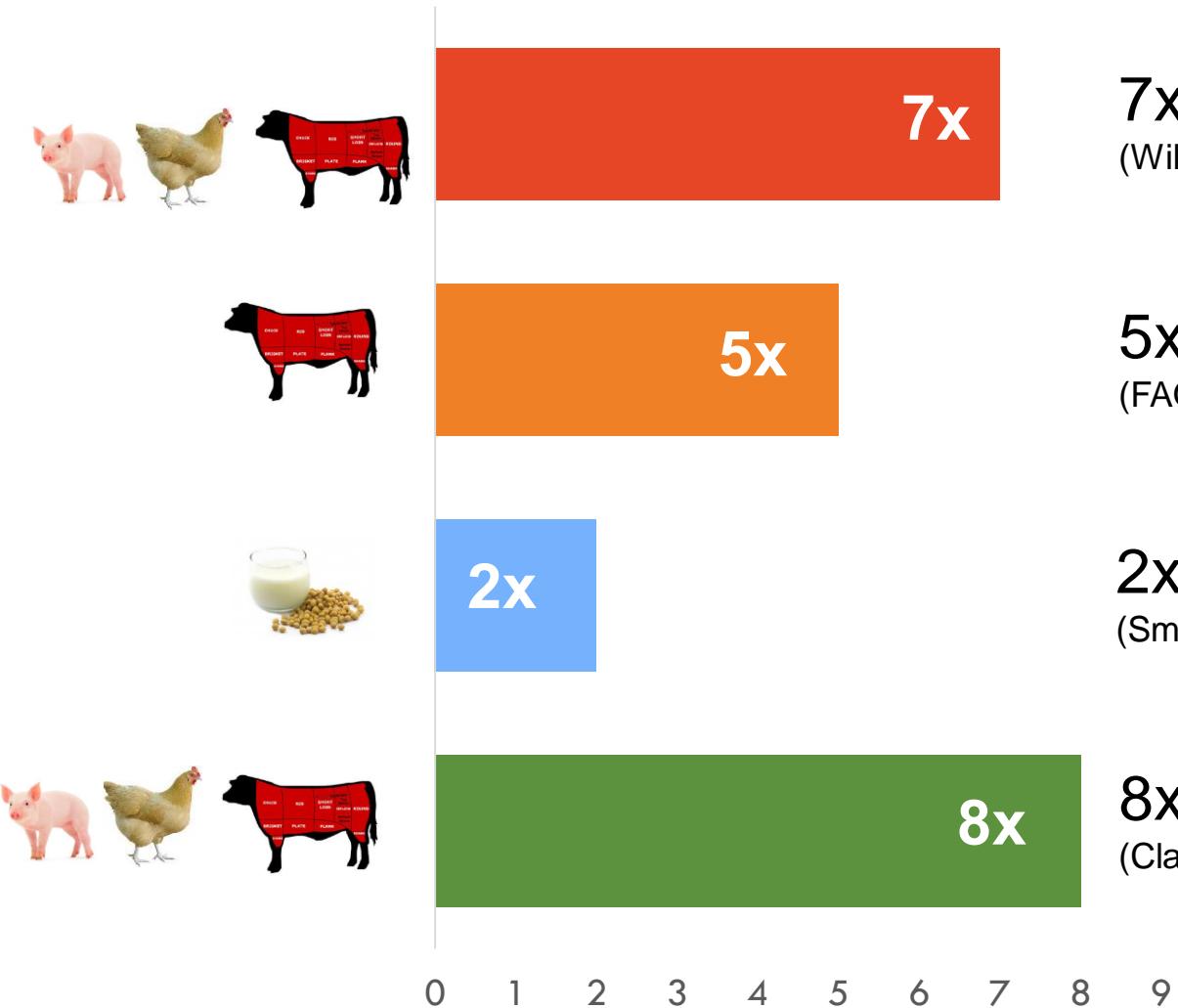
Modelled impact on farm

Change in profitability



~16% increase

What we don't see about milk...



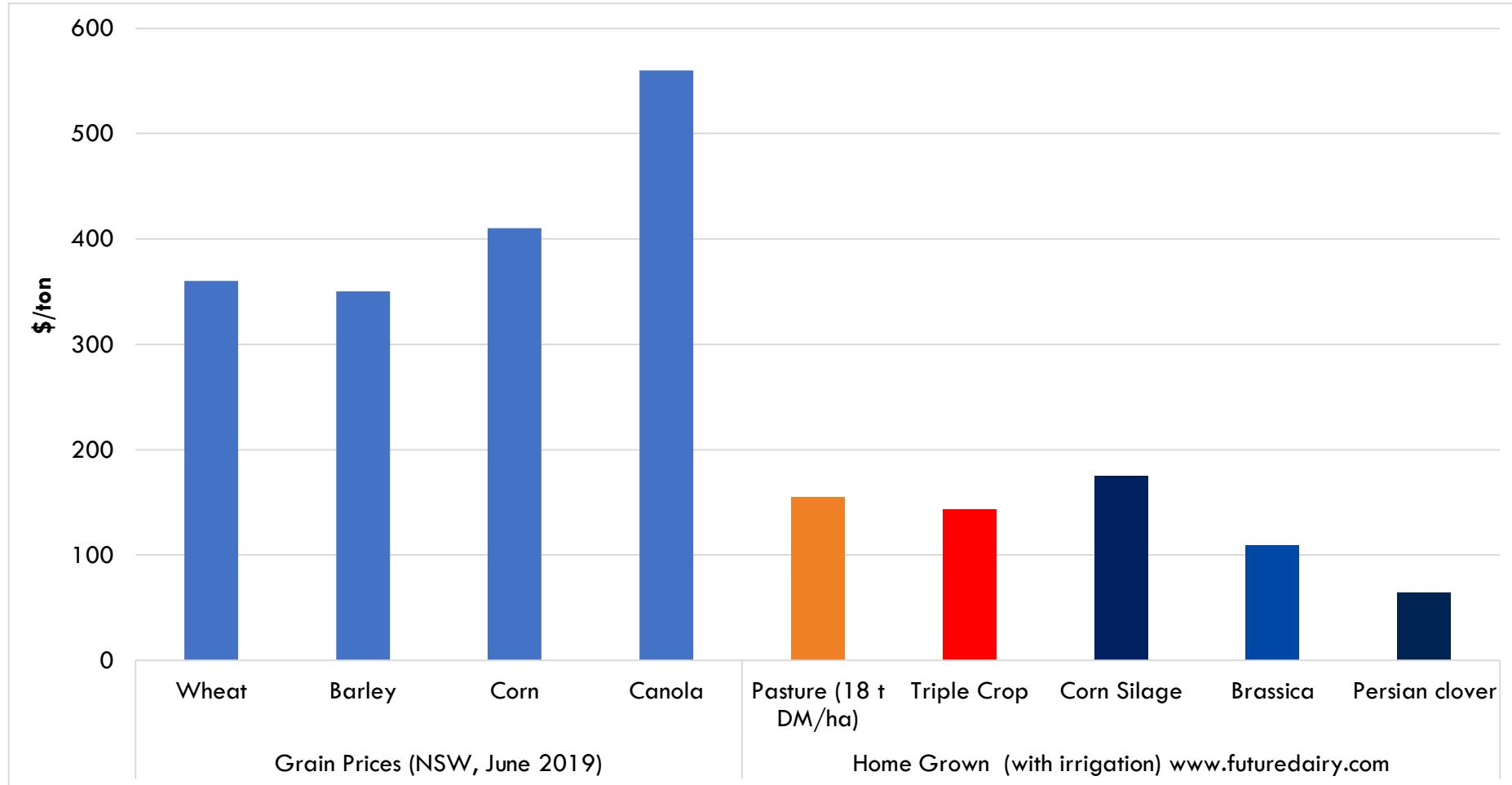
7x better: edible food into protein
(Wilkinson 2011)

5x more Protein per CO₂
(FAO 2013)

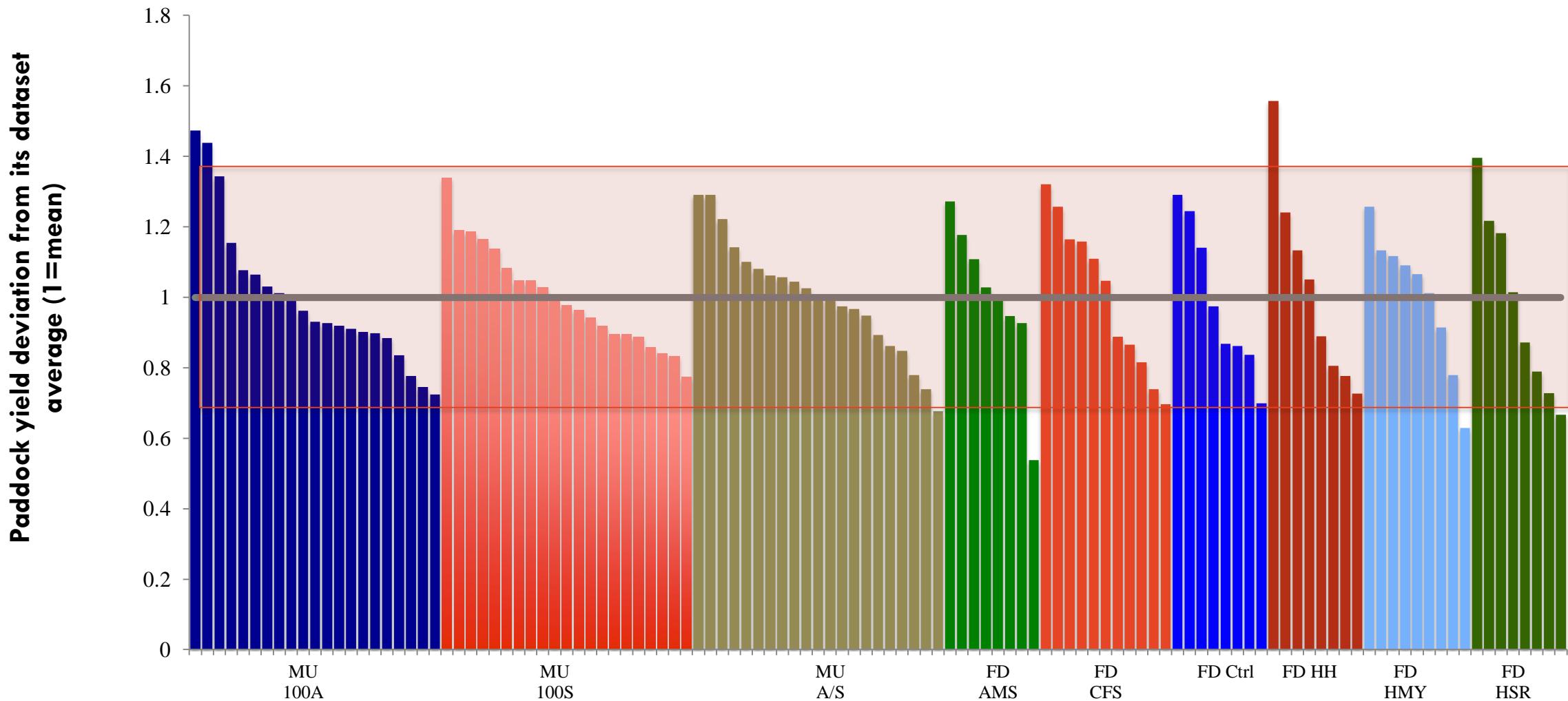
2x more Nutritional density/ CO₂
(Smedman et al 2010)

8x more Protein/ha
(Clark & Tilman 2017; Ritchie 2017)

A good reason for intensifying from HGF...



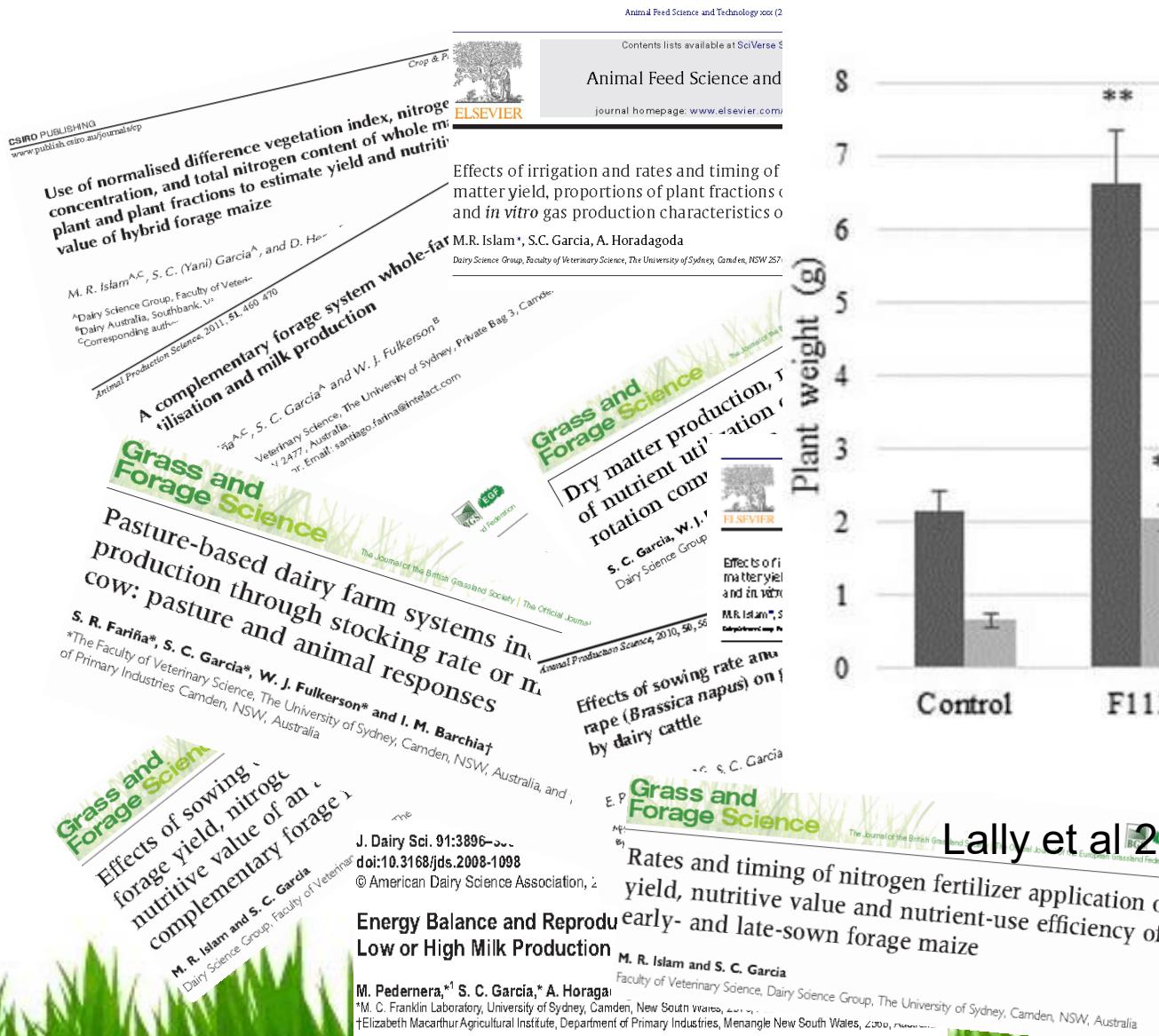
Individual paddock variability in whole farm system studies



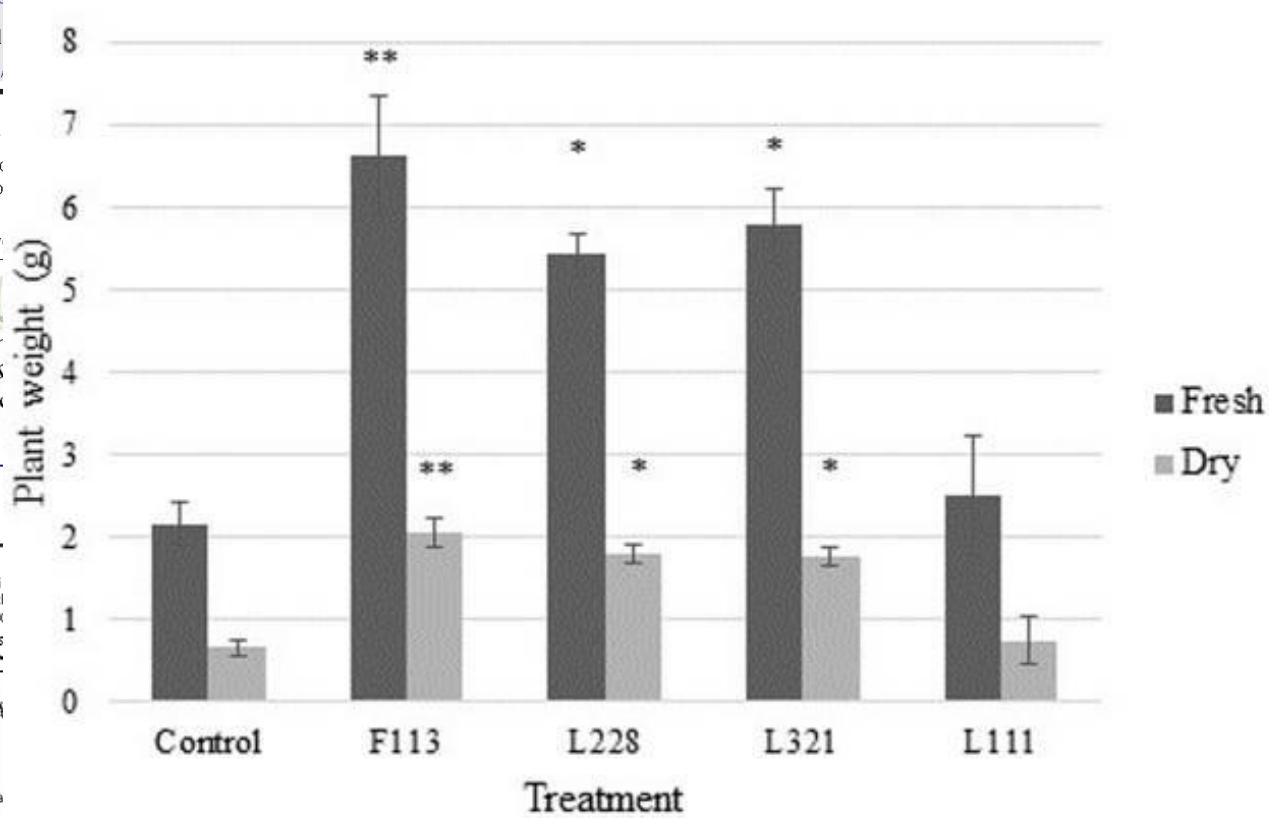
Scientific and farmer-oriented outputs

www.futuredairy.com.au

>20% increase in plant biomass with PGPR



Plant Biomass



Lally et al 2017, Front Plant Sci; 8: 2193