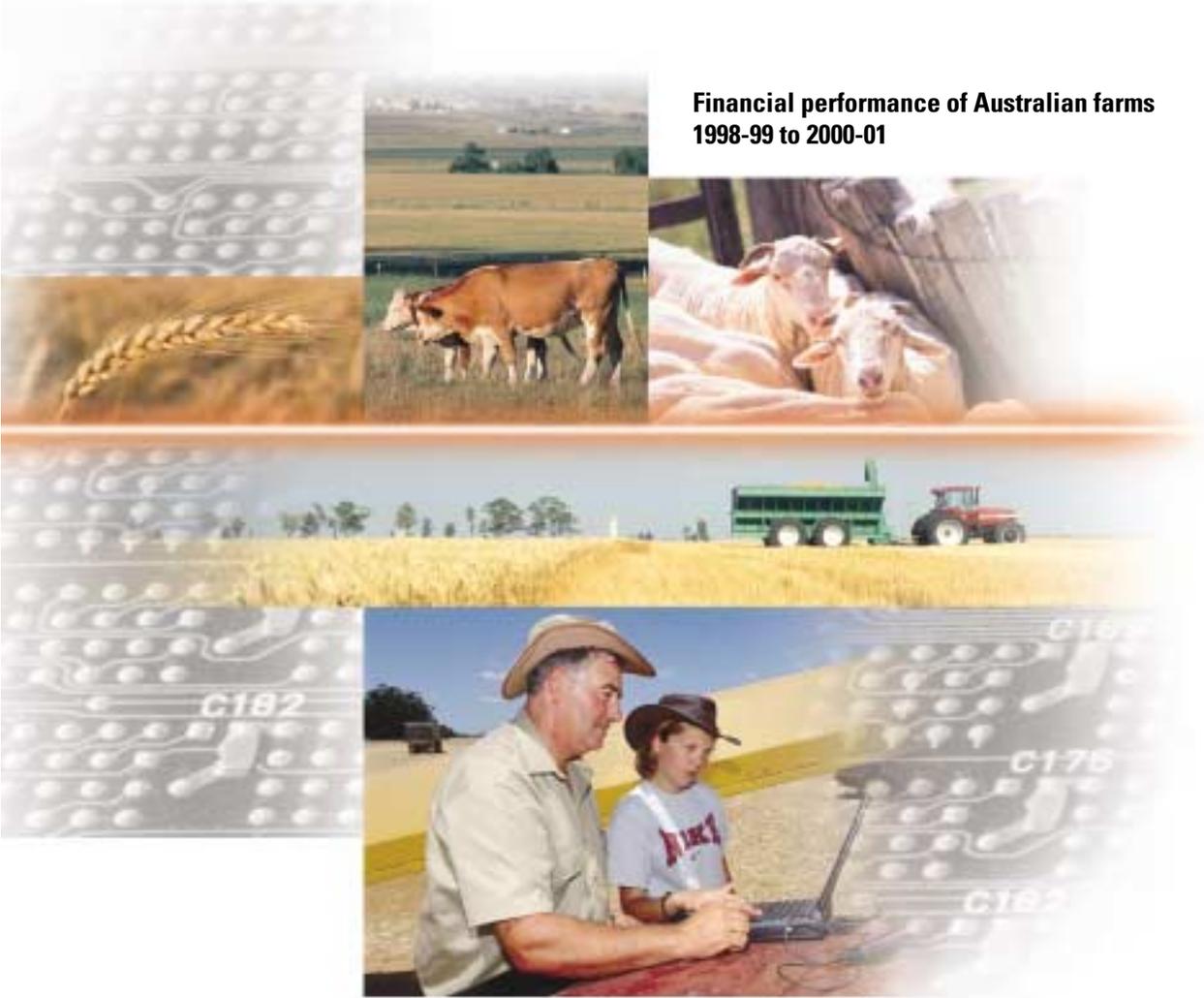




AUSTRALIAN FARM SURVEYS REPORT 2001

Financial performance of Australian farms
1998-99 to 2000-01



ABARE

Innovation in Economic Research

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ABARE is a professionally independent government economic research agency.

Foreword

Farm surveys conducted by ABARE have been a prime source of information for the Australian farm sector for the past fifty years. The annual surveys of the broadacre and dairy industries provide a unique data source that is used for a diversity of purposes by government and industry, including banks, input suppliers and marketing firms. These surveys have historically met industry needs for farm performance information and government needs for advice on policy implementation, such as with dairy deregulation and Exceptional Circumstances assistance.

ABARE's surveys are now designed to also meet demands for environmental and socioeconomic data. The farm surveys database integrates detailed financial, physical and socioeconomic information that represents over 70 per cent of Australian farm business units. Surveys undertaken for 1999-2000 were the:

- Australian agricultural and grazing industries survey, which covers the grains, sheep and beef producers, and
- Australian dairy industries survey.

Questions in addition to the standard set were included in the 1999-2000 surveys. These included questions on the composition of the Australian beef herd, sheep mating patterns, the adoptions of technology in the dairy industry and the wool industry in Victoria, and changes in services to farmers over the past ten years. Summary results for some of these supplementary surveys are presented in this report.

ABARE and the Australian Bureau of Statistics are in the process of integrating agricultural collections by both organisations with the aim of minimising the burden

on respondents and improving data quality. Following the successful trial collection of Australian Bureau of Statistics Agricultural Finance Survey data from dairy farms in 1999, ABARE extended the trial collection to broadacre farms in 2000.

The data presented in this report represent only a small proportion of the total amount of detailed data available. While preserving the confidentiality of individual cooperators, detailed survey data tailored to meet specific information needs can be obtained through special tabulations, graphical presentations and consultancy reports. Survey data are also released in industry and research reports, journal articles, current issues and conference papers.

To meet the needs of industry and other organisations, ABARE is continuing to develop further avenues for disseminating high quality farm information. For instance in 1999 ABARE developed a graphical package *ag@access* that provides performance benchmarks for farms in the surveyed industries. This package can be accessed at ABARE's internet site (www.abareconomics.com).

ABARE has a commitment to providing the best possible farm survey data, and to continually improve the servicing of information needs of industry and government.



BRIAN S. FISHER
Executive Director

May 2001

Acknowledgments

Industry

Participation in ABARE farm surveys is voluntary. The success of the surveys depends on the cooperation of farmers, their accountants and marketing organisations in providing data and information on farm operations.

ABARE staff

- The survey information presented in this report was compiled by the Survey Data Analysis team, led by Milly Lubulwa, and the Data Management and Collection Section, managed by Carol Keil.
- Design of the survey questionnaire and management of survey operations were undertaken by Carol Keil, Laurie Cannon, Bruce McConnell, Paul Phillips and Tony Wain.
- Training of interviewers and data collection, entry and editing were under-

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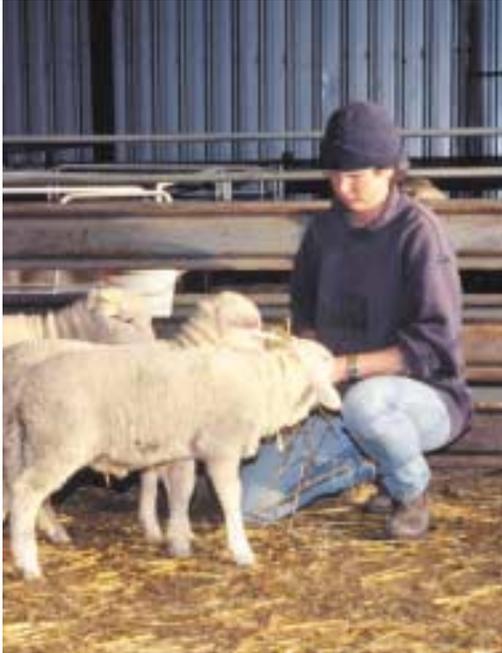
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Sheep matings

and breed of ram

Stephen Hooper and Peter Connell



◆

Between 1996-97 and 1999-2000, total ewe matings fell as merino ewe matings fell significantly.

◆

However, matings of first cross ewes, which are generally preferred for prime lamb production, increased by 56 per cent over this period.

◆

When wool prices declined in the 1990s, production of prime lambs became an increasingly important component of many sheep enterprises among Australia's broadacre farmers.

Last year, Meat and Livestock Australia commissioned ABARE to undertake a survey of producers' sheep joinings in 1999-2000 to monitor changes in the Australian sheep flock, with particular reference to changes in the breed of ewes and rams used.

ABARE last conducted a detailed survey of sheep matings in 1997, for the financial year 1996-97. A brief summary of the survey results for that year and 1999-2000, for broadacre farms with more than 200 sheep, is presented in this article. A more detailed analysis of the latest survey, with particular reference to prime lamb producers, will be presented in the 2001 issue of the *Australian Prime Lamb Industry* report.

Matings

A typical or common breeding scheme used in the prime lamb industry in Australia is a three-breed cross between a dorset horn ram and a border leicester x merino ewe cross (Kinghorn, Rogan and Davis 1991). Improved lambing and weaning rates have been achieved from using cross breed ewes from a border leicester x merino cross. Dorset horn or similar types of rams are used because they contribute directly to a suitably fast growing prime lamb, building on the gains from the hybrid vigor achieved from border leicester x merino cross ewe.

Between 1996-97 and 1999-2000, the number of ewes mated on broadacre farms fell in total by 0.9 per cent (table 1). The decline in the number of ewes mated occurred over a period when total sheep numbers in Australia fell by 3.7 per cent from 120.2 million to 115.7 million.

I Ewes joined, by breed, broadacre farms ^a

	1996-97		1999-2000	
	million	%	million	%
Merino ewes				
Merino ram	37.45 (5)	74.7	32.18 (5)	64.7
Shortwool ram	5.44 (28)	10.8	8.22 (10)	16.5
Longwool and other breeds	3.16 (16)	6.3	3.73 (14)	7.5
First cross ewes				
Merino ram	0.22 (40)	0.4	0.14 (76)	0.3
Shortwool ram	2.27 (14)	4.5	3.67 (16)	7.4
Longwool and other breeds	0.26 (45)	0.5	0.47 (35)	0.9
Other ewes				
Merino ram	0.06 (80)	0.1	0.00 (0)	0.0
Shortwool ram	0.58 (30)	1.1	0.72 (38)	1.5
Longwool and other breeds	0.69 (40)	1.4	0.58 (45)	1.2
Total ewes joined	50.13 (5)		49.71 (4)	
Population of farms	41 118		39 212	

^a Farms with more than 200 sheep at 30 June.

Note: Figures in parentheses are relative standard errors. A guide to interpreting these measures of sample variation is included in the 'Survey methods and definitions' section.

Matings of merino ewes to merino rams fell by 14 per cent to 32.2 million. However, matings of first cross ewes, which generally are more suited to prime lamb production than merino ewes, increased by 56 per cent to 4.3 million between the two years.

By industry, the number of ewes mated increased, on average, on sheep (16 per cent), beef (8 per cent) and wheat and other crops (7 per cent) industry farms between 1996-97 and 1999-2000 (figure A). However, ewe matings declined, on average, by 5 per

cent on sheep-beef farms and by 3 per cent on mixed livestock-crops industry farms.

Choice of ram

While the number of merino ewes mated to merino rams is estimated to have fallen by 14 per cent (5.3 million) since 1996-97, the number of merino ewes mated with shortwool rams and longwool rams increased by 51 per cent and 18 per cent respectively in 1999-2000. Matings of first cross ewes increased by 56 per cent (or 1.5 million), with the use of shortwool rams up 62 per cent and longwool rams up 81 per cent. The number of first cross ewes mated with merino rams declined by 36 per cent.

Overall, matings with merino rams declined from 75 per cent of total matings to 65 per cent between 1996-97 and 1999-2000. Matings with shortwool rams was up 9 percentage points to 25 per cent of total matings and with longwool rams was up 1.4 percentage points to almost 10 per cent.

Reference

Kinghorn, B., Rogan, I. and Davis, G. 1991, 'Breeding and selection', in *Australian Sheep and Wool Handbook*, D. Cottle (ed.), Inkata Press, Melbourne, pp. 67-83.

