

## OPTIONS FOR LIGHT WEIGHT SPRING DROP LAMBS

There are a number of options for light weight lambs including selling, feeding or humane euthanasia, but each should be costed for your situation.

Small Merino lambs are more challenging than prime lambs.

Hedging your bets with different actions for different lambs may be worthwhile.

### Introduction

The drought has posed many dilemmas for sheep producers. Amongst these is, “What are my options with light weight spring drop lambs?” Small Merino lambs are the greatest challenge, and even though there is more flexibility with prime lambs the current marketing environment is difficult. Options for light bodyweight lambs born this spring are examined. This note was prepared in October 2006 and reflects prices and expectations current at that time. The Feedlot Calculator that was used to examine the variables associated with feeding programs was developed with funding from the Australian Sheep Industry Cooperative Research Centre by staff of the NSW Department of Primary Industries.

### What are your options?

Light spring drop lambs, resulting from the drought, create many dilemmas for sheep producers. Your choices are limited. You can sell them, feed them to market weight or maintain them in the paddock in the hope of an autumn break and a price rise.

Small Merino lambs pose the greatest challenge. Several studies have shown that the light ‘tail’ of the mob has a high mortality rate unless managed very skillfully. To ensure these lambs survive they need to be fed to grow at a minimum of 0.5 kg per month. Given that they currently have no market value, farmers may have to consider the option of humane euthanasia for those lambs with low chances of survival.

There is more flexibility with prime lambs but the current marketing environment is difficult.

### Does it pay to feedlot light prime lambs?

Lambs between 18 kg and 32 kg are currently worth about \$1/kg live weight, although the market is limited. The finished lamb market requires lambs of a minimum 42kg live weight (20kg carcass weight). At \$3/kg, these lambs are worth about \$69 when a skin value of \$9 is included. It is important to consider skin value, as it can often be the difference between a profit and a loss. After shearing allow about eight weeks for 2.5cm (1 inch) of wool growth; off-shears lambskins are of much less value.

When feeding a full feedlot ration based on barley at \$350 per tonne it will cost \$47 to add 20 kg live weight. This includes deaths and shy feeders but not labour costs of about \$5 per lamb. It should also be noted that a very high level of management and skill is required to successfully feedlot small and young lambs.

If the lambs gain 20 kg live weight, the original \$22 lamb is now worth about \$69 with \$47 worth of feed, which is just break-even. Clearly, you need a price of more than \$3/kg carcass weight to make this pay. Also if your feed costs are more and you don’t get this price you will lose money. Heavier lambs are usually the most profitable to feed.

## What if you put your lambs in the paddock and supplement them to grow slowly in the hope of an autumn break and a price rise?

With some paddock feed available you can grow a 20kg lamb slowly with about 2kg of wheat per week. With wheat at \$350 per tonne this will cost 70 cents per week or \$14 for 5 months. If no paddock feed is available then the supplement required is increased to about 3kg per week to keep the lambs healthy and growing at about 50g/hd/day. Small lambs have high protein requirements and so testing the grain that will be used to supplement weaner lambs should be considered as essential.

In a recent experiment at NSW DPI's Cowra Agricultural Research and Advisory Station, prime lambs were fed to maintain live weight at 20kg. This proved difficult as young lambs are programmed for growth. They grew very slowly but lost condition in the process so this is only a short-term strategy. The good news is that when the lambs were subsequently finished on a high quality diet following the period of restricted feeding, meat quality was no different to lambs that were not given a check.

With an early autumn break you would think the 22kg lamb should quickly grow into something worth \$80, a margin of \$44. The main concern is what are your chances of an autumn break?

With a late autumn break, lambs will have been fed longer and enough time will have to be allowed to finish the lambs to market specifications before they cut their teeth.

## What are the take home messages?

- The seasonal risks and rigours of a long feeding program make taking the current \$1/kg live weight attractive if it is available.
- Feeding a full feedlot ration is unlikely to be profitable for light lambs.
- The other alternative is to hedge your bets and finish the heavier lambs, as the margin is more attractive than with light lambs, sell the medium weight lambs and feed the light lambs for just above maintenance.

## Where do I go for further information?

There are no easy answers but the Sheep CRC Feedlot Calculator will allow you to examine all the variables associated with feeding programs and to come up with the best answers in your situation.

Your local consultant or department of primary industries staff will be able to help you work through the process for your property to identify the costs and profits that are available.

To take full advantage of the changes, you will probably have to hedge your bets as above.

The Feedlot Calculator is available from the Australian Sheep Industry Cooperative Research Centre at [www.sheepcrc.org.au/feedlotcalc](http://www.sheepcrc.org.au/feedlotcalc).

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