# TOCAL FORMULA CONTRACTOR OF A CONTRACTOR OF A



Department of Primary Industries



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# Overview

Tocal is a 2200 hectare farm located in the lower Hunter Valley of New South Wales, Australia. The property contains a range of natural ecosystems, from rainforest remnants and wetlands to dry sclerophyll forests. The main farm enterprises are beef cattle, dairying, horse breeding, and free range egg production, with a small demonstration sheep flock and some cropping.

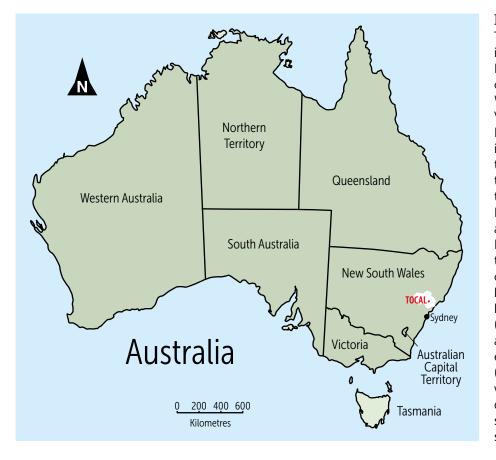
Current management at Tocal aims to maintain a strong reputation by adopting 'best practice' property management for livestock, ecological benefits, people, animals and the environment.

NSW DPI and the CB Alexander Foundation manage the farms under the same environmental and market conditions as other local farmers. All management decisions for Tocal enterprises consider effects on the whole farm.

Land management is a dynamic, continuing process. Priorities change, and we all learn from experience and new research. The code of landuse practice, property plan and this document are dynamic documents that are informed and updated as changes are made. Management decisions always work towards sustainable land use in a conscious and deliberate way.

'The books and publications referred to in this document are available online at https://www.tocal.nsw.edu.au/publications'

## **Fast facts**



Location Tocal is located in the lower Paterson Vallev of the New South Wales Hunter Valley. The Paterson River is one of several tributaries to the Hunter River that enters the Pacific Ocean at Newcastle. Enterprises on the farm are beef cattle and horse breeding (2000 hectares), dairying (300 hectares), and free range egg production (68 hectares), with a small demonstration sheep flock and some cropping.

### Soils

As you can see from this map soils form a complex pattern across the property. This can be simplified by looking at the soil landscapes map, that is the uplands or hills with erosional soil landscapes, the floodplain with alluvial (made up of materials left by rivers) soil landscapes, the midslopes with colluvial (soil accumulated at the base of a hill usually moved by gravity) soil landscapes and the vestigial soil landscapes that remain as evidence of volcanic activity. Each of the soils represents different production and management opportunities.

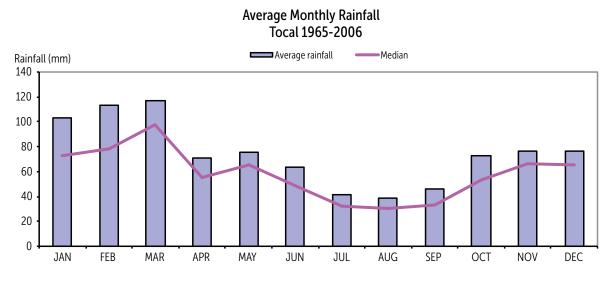
### Water

Reliable and high quality stock water is required for each paddock on Tocal. The property is fortunate in having areas of wetland, lagoons, creeks and the Paterson River as natural water resources. These water bodies, however, can be easily degraded by poor management, and the results of past misuse are evident.

### **Pastures**

As a general rule introduced pastures are concentrated towards the front of the property and native pastures at the back of the property. The current management objective is to maintain a balance between the two so that we can take advantage of both the adaptive nature of native species to environmental conditions and the higher productivity potential of introduced species.

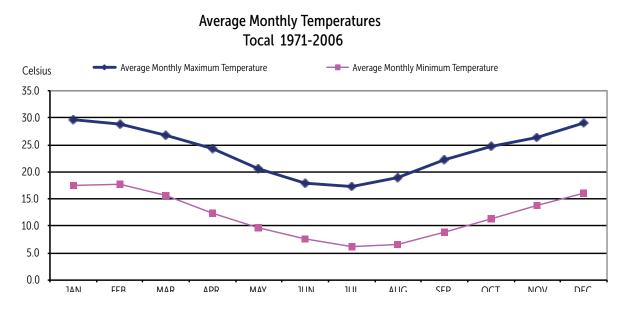
### Weather and climate



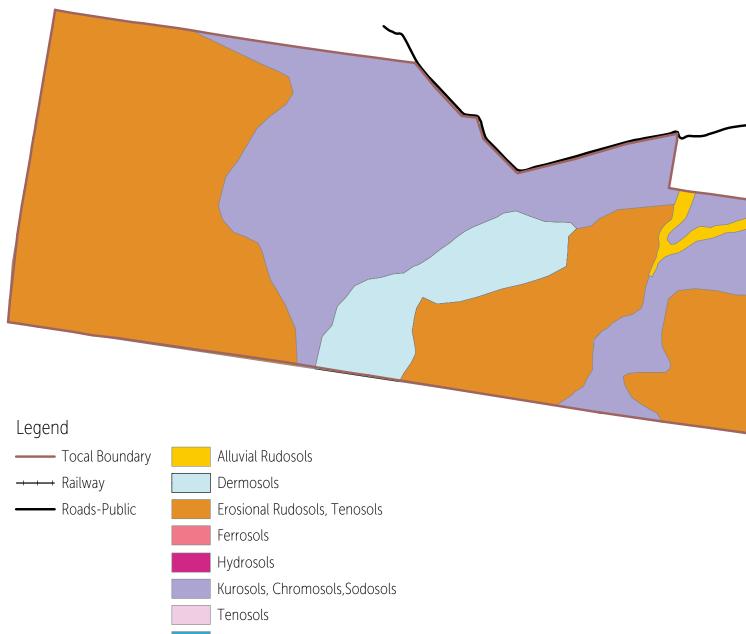
### Rainfall

Mean = 972 mm, Median = 749 mm.

This graph shows both average monthly rainfall and the median at Tocal. The average is calculated by adding rainfall totals for each month over the period from 1965 to 2006 and dividing by the number of years. This figure can be misleading, because a couple of very low or very high rainfall years can alter the average significantly. A more useful figure to use for farm planning is the median. Median rainfall is calculated by ranking totals from highest to lowest, the middle figure being the median. The median will often be lower than the average, and is a more realistic figure to use, although it is not often quoted in rainfall statistics.

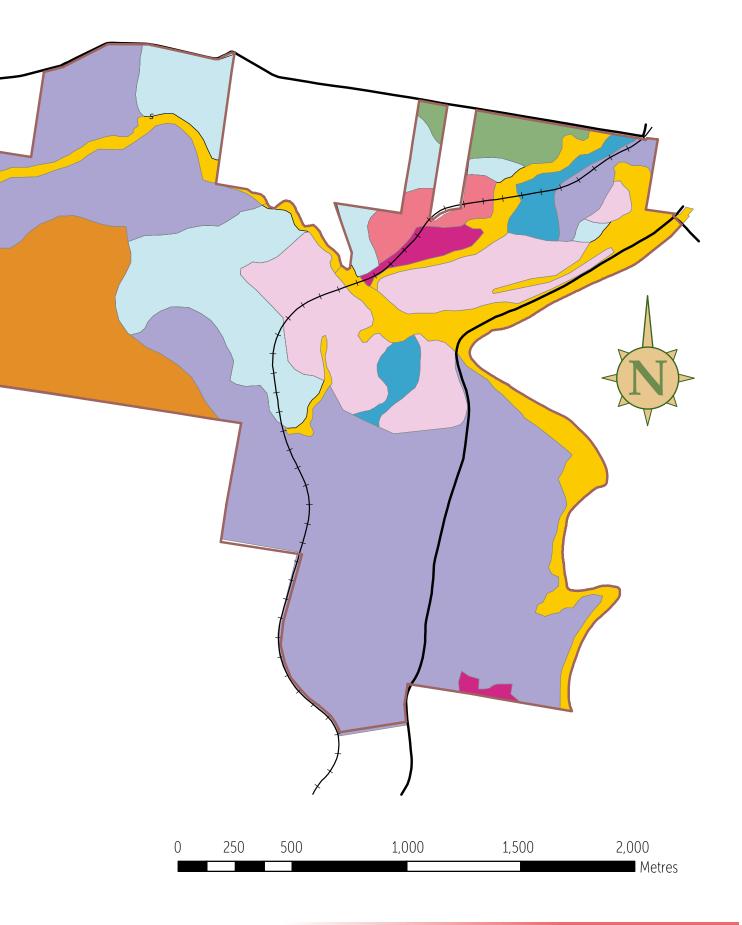


### Temperature



Vertosols

Soil types across the Tocal property



### People

People, products, services, and ideas flow into and out of Tocal and are influenced by the site and the industry in which we operate.

Nine staff members work full time on the farms. They are supported by up to ten casual staff and teaching staff. They are responsible for students who are rostered on for practical work during term.

These are made up of:

- Dairy: 3 full-time, 2 casual staff members
- Beef: 3 full-time, 1 casual staff members
- Horses: Two teaching staff allocate time to horse management
- Sheep: One teaching staff member allocates time to sheep management
- Numeralla/eggs: Two (full-time Manager and Second-in-Charge) one maintenance + 5-7 casual staff members.

Students also work on the farms. In any week up to 14 students would be working or training on the farms. At peak times, such as when breaking horses, this number can rise to 40.

### Farm revenue

Revenues from the farms for 2016 calendar year were:

Dairy	\$943,148
Free Range Eggs	\$610,970
Beef	\$558,817
Horses	\$133,400
Sheep	\$30,487

Total farm revenue for 2016 was a creditable \$2,276,822 considering that the free range egg operation is still in the early stages of development. This income pays for all variable costs of production and some improvements. It also contributes significantly to, but does not cover, all site overheads for the Tocal College farms.

### Key management goals

Sustainable agricultural land use management goal:

• to manage the land sustainably.

Environmental improvement goal:

• to manage the land so that the environment is continually improved.

Production goals include:

- Improved beef production by managing the land more effectively and the use of an objective recording system to verify improvement
- Increased dairy production by increasing the available feed supply by extending the irrigation systems
- Improved capacity for horse production with improved paddock subdivision, pasture production and tree lots planted and protected
- Sheep production maintained and wild dog attacks eliminated
- To establish and maintain the overall economic goals of each primary production enterprise
- Maintain or reduce the overall cost of production, maximising annual economic return
- Farm and Homestead tourism, and the Tocal Field Days be developed as self-sustaining separate commercial enterprises
- Manage the Tocal property to support the delivery of excellence in agricultural education.

### Risks

In addition to the normal risks that businesses face, rural properties and farming activities often face additional risks that go beyond the farm gate and boundary fence. Rural land should be managed with care and responsibility to minimise risks to the enterprise, humans, livestock and the environment.

## Details

### Location: 815 Tocal Rd, Paterson, NSW, 2421.

Tocal is located in the lower Paterson Valley of the New South Wales Hunter Valley. The Hunter River is the state's largest single coastal river system, covering an area of 22,000 square kilometres. The Hunter River system passes through the Great Dividing Range in one of the few east-west breaks in the range. This break marks the geological border in the Great Dividing Range between the Carboniferous mountains to the north and the Sydney sandstone basin of the Permian era to the south.

The Paterson River is one of several tributaries to the Hunter River. Each of these rivers flows from the Barrington Tops (on the southern end of the Carboniferous mountains) into the Hunter River. The valley floor contains relatively recent (around 6,000 years old) alluvium from the Quaternary era.

Tocal is mostly contained in the Webbers Creek sub catchment, Webbers Creek being a tributary of the Paterson River. Tocal almost spans the Webbers Creek catchment and interestingly contains the northern tip of the Sydney sandstone basin in View and Bush paddocks, the Carboniferous mountains on the northern side of the Webbers Creek valley and the Quaternary alluvium of the valley floor (the Top Flat soil profile is an example of the older Quaternary alluvium, while Windmill paddock is an example of the newer lighter alluvium). This mixed geology creates a range of soils on Tocal.

The rim of the Webbers Creek valley rises about 300m above sea level (the peaks of Tocal are around 200m). This rise is the first encountered by maritime air masses moving west from the coast, often creating violent thunderstorms within the Webbers Creek catchment. The Webbers Creek catchment has a noticeably higher rainfall than the areas to the north, south and west. This, combined with the long narrow Paterson catchment and the tidal nature of the Paterson River below Tocal, means that Tocal experiences regular flooding in areas below 10 metres.

### Weather and climate

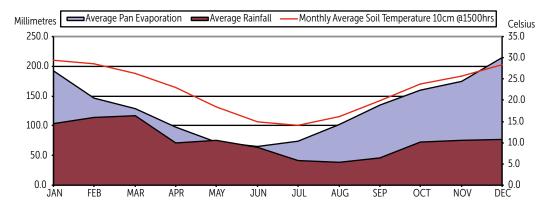
### Rainfall

Tocal receives more summer rainfall than winter. In January to March there is more than twice the rain of July to September. There are only slightly more rain days in the summer/autumn period, however there are more thunderstorms in summer, bringing heavier falls. Most summer rainfall comes from storms caused by moist air extending southwards from northern Australia and east from the Tasman Sea. Winter rainfall is mainly caused by cold fronts from the mid latitudes. The development of low pressure systems in the Tasman Sea in winter can also bring heavy rain and strong winds.

The lower monthly rainfall figures from July to September are made much worse by the incidence of strong westerly winds causing high evaporation rates. The district rarely receives really good rainfall in spring compared to southern New South Wales. The Tocal dairy relies on summer growing kikuyu that is naturalised to this climate pattern. To fill the winter/spring feed gap Tocal dairy sows oats, ryegrasses and clovers into the existing summer pasture every autumn. Irrigation is essential for consistent growth of all pastures on the dairy.

### Rolling five-year rainfall averages

The rolling five-year average is calculated by averaging the rainfall figures for the previous five years to get the figure for that year. For example, the 1970 figure is the average of 1966, 1967, 1968, 1969 and 1970. The rolling five-year average is useful because the effects of rainfall (either high or low) do not stop at the end of the calendar year, so a graph of annual rainfall for each year can be misleading. Importantly, the rolling five-year average is a better indicator of trends in rainfall.



### Monthly Rainfall - Pan Evaporation & Soil Temperature Comparison 1974-2006 Tocal

### Evaporation

Evaporation is the reverse of rainfall. It is a measurement that can be related to the loss of moisture from the soil and from plants. Evaporation rises as temperatures increase, and as monthly temperatures fall, so do evaporation rates. The graph below clearly shows this relationship. The incidence of westerly winds increases evaporation rates.

Measurements of evaporation have only been recorded at Tocal from 1974, and never at Paterson. It must be remembered that the figures for evaporation are based on evaporation from an open pan (evaporimeter) that is continually replenished. This is why most months of the year get more evaporation than rain. In reality you can never get more evaporation than rain.

### Effective Rainfall

Effective rainfall is the rainfall that is available in the plant root zone, allowing the plant to germinate or maintain its growth. This can be related to rainfall versus evaporation. When combined with temperature figures, effective rainfall will indicate the main growing seasons for plants. As a rule of thumb, the evaporation from an exposed soil surface is about one-third that from the evaporimeter.

In the two graphs above right, evaporation is compared with rainfall at Tocal. The first graph shows that evaporation from the pan evaporimeter is always higher than rainfall.

When the 'rule of thumb' described above is applied, evaporation from the soil surface indicates that effective rainfall occurs between February and June. This is the main growing season at Tocal. It would be hoped that spring would also be a major growing season, but the success of spring growth is limited by low rainfall, even though temperatures are rising.

### Temperatures

Paterson's proximity to the coast affects its temperatures by reducing extremes. The area does not receive the intensity of hot days in the summer and cold nights in the winter compared to the Upper Hunter Valley. It is, however, far enough inland to receive some very hot days (>35°C) in most summers and some frosts in most winters.

Yr	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avge	Max	Min
Avge	29.6	28.8	26.8	24.3	20.5	17.9	17.2	18.9	22.3	24.7	26.4	29.1	23.9	29.5	17.2
Avge	17.5	17.7	15.6	12.4	9.8	7.6	6.2	6.6	8.9	11.3	13.8	16.1	11.9	5.9	18.2

### Soil temperature

For root crops like potatoes and for seed germination of crops like maize, the temperature of the soil is more important than that of the air. Potatoes need a soil temperature of at least 8°C, no more than 28°C with an ideal temperature of about 18°C, which is the minimum temperature for germination of sorghums and millets.

### Frost

Severe frosts are uncommon at Tocal. When they occur, they are associated with stationary high pressure systems and still, dry air in mid-winter.

The frost figures show that, as expected, July experiences the most frosts, with August the next most frost-prone month.

### Soils

Soils provide the foundation for our houses and settlements. As the basis of agriculture and forestry, soils are the source of our livelihood. Importantly, soils perform vital ecosystem services in filtering and absorbing water, nutrients and pollutants.

As the product of the soil-forming factors - climate, parent material, topography, plant and animal life, humans and time - soils tell us about the past and present environment. An understanding of soils is vital to inform management decisions for any area of land and particularly farm enterprises.

This map and the soil profile information (from the book The Soils of Tocal (www.tocal.com)) provide an indication of the main soils on Tocal and the way that they change across the landscape. The soils are classified according to the current Australian Soil Classification.

As you can see from the map on pages 8 and 9, soils form a complex pattern across the property. This can be simplified by looking at the soil landscapes: the uplands or hills with erosional soil landscapes, the floodplain with alluvial (made up of materials left by rivers) soil landscapes, the midslopes with colluvial (soil accumulated at the base of a hill usually moved by gravity) soil landscapes and the vestigial soil landscapes that remain as evidence of volcanic activity. Each of the soils represents different production and management opportunities.

### Soil landscapes on Tocal

On Tocal we have:

- 1) Erosional soil landscapes; the uplands and rolling low hills, on Permian sediments which cover much of Tocal. The Tocal landscapes featuring erosional soils are:
  - a) Kurosols, Chromosols and a few Sodosols. They have an abrupt change in texture between A and B horizons. See site 8 from Hedges paddock for a Kurosol soil and site 16 from Glendarra House paddock for a Sodosol.
  - b) Tenosols which are gravelly soils found on ridge crests. See site 7 from Bowkers Gravelly.
- 2) Alluvial soil landscapes; these soils developed from recent or ancient alluvium on the extensive floodplains built up by the Hunter and Paterson Rivers. The Paterson landscape is on coarse-textured alluvium and Webber's Landscape is on fine-textured alluvium. The Tocal landscape featuring alluvial soils are:
  - a) Rudosols, see site 1 from Windmill paddock
  - b) Hydrosols, often puggy and waterlogged. See site 3 from the Top Flat and site 18 from Racecourse paddock
  - c) Vertosols or cracking clay soils. See site 19 from the Racecourse paddock gilgai and site 5 from Phillips paddock and
  - d) Chromosols, Kurosols and Sodosols. Site 8 in Hedges paddock is a mix of these categories.

Soil colours as per map on page 5	
~~~	Shallow red loam
Shallow	from basalt. Tenosol
soil with rock	
outcrop.	
Tenosol or erosional Rudosol	Grey duplex soil
	from shale. Kurosol
	Black cracking clay from
Deep, dark loamy soil from basalt colluvium.	back cracking clay from
from basalt colluvium.	Vertosol
Dermosol	Lagoon. Deeply incised
	Hydrosol Webbers Creek

- 3) Colluvial soil landscapes; soils in these landscapes have developed from parent material that has moved downslope from uphill and ended up in the present landscape. The material that has moved is called colluvium. Tocal has examples of soils that have developed from basaltic colluvial material, the landscapes featuring basaltic colluvial soils are:
  - a) Chromosols, Kurosols and Sodosols (see site 8)
  - b) Dermosols, these include basaltic Dermosols on sites 10 and 11 from Calving and Springer paddocks.
- 4) The Tocal landscape featuring vestigial basaltic soils are:
  - a) Ferrosols, see site 6 Bowkers Red and part of Dunnings Hill and Sheep paddocks
  - b) Dermosols in Numeralla and Dunnings Hill paddocks and see site 9 Lucerne paddock and site 2 from Bottom Flat.

### Soil profiles

Twenty-one profiles across the property have been taken to show the characteristics of each of the soil types. More information about the profiles is available in 'The Soils of Tocal' and on our story map (https://www.arcgis.com/apps/MapSeries/index. html?appid=be34e7c52a6249c8a6e74219dfed3f4e). It is important to understand the soils of a property as different soils require different management and allow for different land uses. Three profile overviews are presented here as an example of the range of soils and their management.

### Soil profile 1 - Windmill paddock

The soil found along the Paterson River is an example of a Rudosol soil and is some of the best soil on Tocal because it is deep, holds moisture well and is easy to work.

This is an alluvial Rudosol. Alluvial soils are formed from sediments deposited on land by rivers and streams.

Notice the uniform profile with little change in colour or texture with depth. In other words you can't find the distinct A, B and C horizons. This type of soil is referred to as a young soil and it hasn't yet had time to develop distinct horizons.

These alluvial soils are naturally high in phosphorus, so they were cropped because of their high fertility in the days before fertilisers. These were the first soils on Tocal to be used for cropping and they could have been used like that for 100 years before any fertiliser was added. Organic matter levels in these soils are low, partly a reflection of the very young age of the soil, and also because organic matter levels have dramatically declined during the 170-180 years that these soils have been under cultivation.

Manage soils like these to increase soil organic matter. Farming practices such as conservation tillage, retention of crop stubble, crop and pasture rotation, strip cropping and growing of green manure crops are encouraged. These practices will increase soil organic matter content, improve soil structure and manage compaction.



Dark grey-brown loam • Abundant plant roots • Well drained • pH 4.7

Dark grey-brown loam • Plant roots common • Worm channels below 22 cm • Well drained • pH 5.9

Dark grey-brown loam Lucerne roots at 85–90 cm • Well drained • pH 6.1

0 cm: A Horizon Dark brown loam Slight gravel content • Plant roots common Good drainage • Hard surface soil • Large piece of charcoal at 6 cm • pH 5.5

> 13 cm: B1 Horizon Brown sandy clay loam Heavy gravel content • Plant roots common • Good drainage • pH 6.2

32 cm: B2 Horizon Yellowish brown light medium clay

Heavy gravel content • Massive structure • Plant roots are few • Fair drainage • pH 6.1

45 cm: C Horizon Rock

### Soil profile 13 - View paddock

This profile from View paddock is a good example of a Tenosol. The Australian Soils Classification system describes Tenosols as soils with weak pedologic organisation (weakly developed).

Features of these soils are:

- shallow and stony soils on steep slopes (note that this profile is 45 cm deep while many of the others are 85 - 90 cm deep)
- poor water-holding capacity because of the shallow soil depth.
- low fertility.

Found on a steep slope, these shallow soils are best left under protective native vegetation.

### Soil profile 17 - Tank A

This soil is described as a Kurosol. Kurosols are a podsolic soil which means they are duplex soils with a sandy bleached A2 horizon and an illuvial clay B horizon which is acid (an illuvial horizon has had colloids, soluble salts, and mineral particles leached down from an overlying horizon).

These soils are formed of sedimentary parent material which accounts for the poorly structured and hard setting surface. Sandy soils like this, which are structureless (loose grains and not massive) tend to be freely draining and droughty. However they overlie clays and so often have a perched water table.



### 0 cm: A1 Horizon

Very dark grey-brown sandy clay loam Slight amount of fine gravel • Trace of charcoal • Hard surface soil • Massive structure • Abundant plant roots • Earthworms found • Good drainage, the last three points probably all due to the high organic matter content • Horizon probably brittle when dry • pH 6.2

### 26 cm: A2 Horizon

Greyish brown soil with the same texture as above • Fine gravel content changes from moderate to heavy • Massive structure • Poor drainage because of the dense clay underneath • Some plant roots • pH 6.1

### 42 cm: A2 (bleached) Horizon

Light greyish brown sandy loam Heavy content of fine gravel • Massive structure • Very poor drainage • Horizon prone to seasonal waterlogging • pH 6.3

### 50 cm: B Horizon

Light grey-brown and yellow brown light medium clay Trace of fine gravel • Few plant roots • Very poor drainage • pH 4.7

### 79 cm: C Horizon A grey, reddish brown and yellowish brown gritty medium clay Lots of fine gravel • Massive structure • Very poor drainage • A few plant roots • The horizon contains very deeply weathered conglomerate • pH 4.2

### Key management goals

# Sustainable agricultural land use management

Goal: to manage the land sustainably

The underlying principle is 'to use the land according to its capability and protect it according to its needs'. In essence, this means that land has a capacity to support agriculture production, but when used beyond its capacity it becomes subject to degradation.

Key Indicators: (not in order)

- Weed control program developed, implemented and monitored, eliminating isolated weeds first to prevent further spread
- Fencing program developed, working from areas of high priority to areas of low priority
- Pasture improvement program developed for all paddocks on a rotational basis
- Access tracks, fire trails and fence lines cleared/constructed and maintained
- Grazing pressure kept in balance with pasture viability, and woody regrowth suppressed in grazing areas
- Soil fertility monitored, and sustained
- Bare soil areas in grazing areas sown
- Livestock production maintained or improved
- All infrastructure maintained and operational
- Pests and disease control strategy implemented and monitored.

### Environmental improvement

**Goal:** to manage the land so that the environment is continually improved

Key Indicators: (not in order)

- Land use in keeping with the capability of the land
- Soil pH and soil fertility that is maintained or improving
- Effective weed control
- Tree health maintained, woody regrowth suppressed and less dieback
- Native and improved pasture maintained with ground cover kept above 90%
  - Biodiversity improved. The underlying approaches being to:
    - » slow the rate of biodiversity loss and start to reverse the decline (short term focus and develop indicators for benchmarking to be carried out)
    - increase the extent and diversity of areas of biodiversity and ensure they can persist in the long term (long term focus)
    - » establish green corridors by extending the fencing of Webbers Creek and establishment of native species, connecting the creek with wetlands and Quarry Creek
    - » establish the southern end of Ridge paddock as a Voluntary Conservation Area for future offsetting of development impacts and for government biodiversity investments and removing or reducing grazing pressure (controlled grazing) to allow for natural regeneration of native plants
    - » control exotic plant species that compete with native species
    - » leave fallen timber on the ground to provide shelter for wildlife (this should not prevent vermin control which is a priority and not to be compromised)
    - » control feral animals (rabbits, pigs, foxes, cats and wild dogs) that pose a threat to native plants, farm animals and wildlife populations
    - » plant or regenerate locally indigenous trees, shrubs and grasses
    - » Improve water quality sufficient to maintain ecosystems
    - » maintain buffer zones around waterways and drainage lines
    - » maintain species diversity (flora and fauna)
  - » Improve soil health
  - » stream health improved for a fish friendly farm
- Energy consumption reduced
- Climate and climate change trends monitored and adjustment made as required (eg adequate shade for stock and stock water reserves).

### Production goals

- Improved beef production by managing the land more effectively and the use of an objective recording system to verify improvement
- Increased dairy production by increasing the available feed supply by extending the irrigation
- Improved capacity for horse production with improved paddock subdivision, pasture production and tree lots planted and protected
- Sheep production maintained and wild dog attacks eliminated
- Establish and maintain the economic goals of each enterprise
- Maintain or reduce the overall cost of production, maximising annual economic return
- Farm and Homestead tourism, and the Tocal Field Days be developed as self-sustaining separate commercial enterprises
- Manage the Tocal property to support the delivery of excellence in agricultural education.

Refer also to the Tocal Code of Land use Practice (Archer and Brouwer 2004).

### **Risk management**

Risks are encountered continually, but not all risks and incidents have the potential to result in harm or impact on an actual or planned business activity. A risk is measured in terms of the likelihood of the risk happening and the consequences if it does happen. Risk management is the process used to identify and assess the risks, and the system implemented to avoid, reduce or control the risks.

In addition to the normal risks that businesses face, rural properties and farming activities often face additional risks which the average person may not be aware of. Rural land should be managed with care and responsibility that goes beyond the farm gate and boundary fence. What occurs on a holding can affect neighbours and other landholders in the catchment and there is legislation that addresses many risk and farm safety issues. Tocal has areas of risk that need to be managed for human, livestock and environmental safety and to ensure that the enterprise, humans, livestock and the environment are not harmed.

Some of these risks or hazards are listed as follows:

### Human activity:

- Livestock handling (eg operator and stock handling injuries especially in yards)
- Outdoor education activities and medical emergencies
- Tourism, Field day and visitor medical emergencies and accidents
- Steep terrain (eg vehicle and horse riding accidents caused by steep slopes)
- Riverbanks (eg slipping into water and drowning)
- Concealed objects and ruts (eg riding quad bikes in long grass)
- Flooded streams (eg driving across or horse riding)
- Accidental damage to services (eg ripping up the Telstra optic fibre cable, collision with or damage to power lines, rupture of underground pipelines)
- Zoonoses (eg Q Fever)
- Poisoning and allergic reactions (eg snakebite, use of agricultural chemicals, plant toxins)
- Cultural heritage preservation (see Cultural Heritage section)

### Livestock

- Insecure boundary fences allowing stock to escape or neighbouring stock to enter, breaching quarantine which endangers disease free status, disrupts the breeding program and wastes time returning stock
- Metabolic disorders caused by sudden changes in diet, or plant toxins, (eg ketosis in Ridge paddock)
- Plant poisoning (eg Green cestrum, Lantana)
- Physiological and nutritional disorders (eg bloat, starvation)
- Disease, parasites and biosecurity
- Uncontrolled stock access to roads and railway and the chance of collision or causing an accident
- Danger of stock slipping or falling into water due to very steep stream and river banks
- Soil chemical residues ( refer to Soil Chemical Residue section)
- Livestock attack by feral animals (eg dog attack on sheep, dingo attack on calves)
- Stock trapped with rising flood waters
- Accidental injuries in the field or yards (eg stock injured on a fence)

### Environment

- Chemical use or misuse (eg chemical spill, contamination of a waterway, spray drift)
- Fertiliser use or misuse (heavy rain storm event after application, application too close to a waterway)
- Erosion (eg road or track, overgrazing, cultivation of drainage line, storm event on cultivation, stock tracks on slopes or riparian areas) (see Problem areas- Erosion and Steep Slopes sections)
- Bushfire
- Flood
- Drought
- Environmental weed invasion (see Weeds section)
- Maintenance of biodiversity
- Odour offence to neighbours
- Noise offence to neighbours

In NSW there are legislative requirements to control risk, in regard to human occupational health and safety under the Occupational Health and Safety Act 2000. Risk management is an essential part of Tocal's farm management where the likelihood and consequences of a risk occurring must be assessed. Safe Work Method Statements (SWMS) are used for this purpose, and from these a system is implemented to eliminate, avoid, reduce or control the risk. Many other farm risks are controlled under various legislation and owners and managers need to be aware of their legislative responsibilities. Following is a list of some of the legislation that may impact upon a farm and include:

- Agricultural and Veterinary Chemicals (New South Wales) Act 1994
- Aboriginal And Torres Strait Islander Heritage Protection Act 1984
- Agricultural And Veterinary Chemicals Act 1994
- Agricultural Veterinary Chemicals
  (Administration) Act 1992
- Australian Heritage Commission Act 1975
- Environment Protection and Biodiversity Conservation Act 1999
- Environmental Planning and Assessment Act 1979 Contaminated Land Management Act 1997
- Dangerous Goods Act 1975
- Environmentally Hazardous Chemicals Act 1985
- Food Act 2003 Food Production (Safety) Act 1998
- Heritage Act 1977
- Local Government Act 1993
- Mining Act 1992
- Native Vegetation Act 2003
- Noxious Weeds Act 1993
- Pesticides Act 1999
- Prevention of Cruelty To Animals Act 1979
- Protection of the Environment Operations Act 1997
- Protection of the Environment
  Administration Act 1991
- Rural Fires Act 1997 Rural Lands Protection Act 1989
- Soil Conservation Act 1938
- Stock (Chemical Residues) Act 1975
- Stock Medicines Act 1989
- Threatened Species Conservation Act 1995
- The Rural Fires Act, 1997; Water Management act 2000

A useful reference is - *Put yourself in the picture, caring for your small rural property* Brouwer, 2006. The Environmental Defenders Office, Sydney, is a useful contact.

### **Ecological management**

Some years ago Tocal established a Code of Landuse Practice in an attempt to record a philosophy or approach to land use that leads to sustainability - defined here as 'getting the best production from the land without limiting chances for future generations to do the same'.

This section considers the management of natural resources, pollution control, conserving our cultural heritage and landscape values with an attitude of stewardship towards the resources rather than ownership.

Ecological management of the property and production is becoming increasingly data driven with the staged introduction of precision agronomy principles and practice. Management decisions consider a range of soil mapping and tractor data that are ground truthed with soil tests and visual observations and combined with satellite and drone captured NDVI imagery. This data is used to operate the autosteer technology on a number of our tractors and drives the variable rate spreader to ensure the right amount of soil or crop treatment is applied only where it is needed.

### Natural resource management

The policy identified for the environment is:

• That monitoring of ecological processes be undertaken to evaluate the success of environmental programs

While we consider each of the natural resources in turn, remember that they co-exist and interact in a landscape.

### Climate

Climate and weather affects all operational decisions at Tocal. Some of the influences are:

- strategic and tactical seasonal decisions take into account climate variability
- stock numbers, pasture management and irrigation frequency are adjusted for seasonal conditions
- seasonal forecasts are used in planning, for example, de-stocking and feeding policies in times of drought
- dry seasons will cause major revegetation plantings to be held over
- flood warnings are used to determine pump removals and stock movements
- shade and shelter is planned for livestock in all paddocks
- ventilation of poultry sheds is designed to take into account weather extremes
- timing and type of cultivation for sowing must take into account the chances of erosive rainfall occurring, especially in summer storms
- a general trend of climatic warming has been recorded at Tocal, which appears to be part of a global phenomenon.

The policy for climate is:

• That climate variability and extremes be taken into account in all operational planning in the college land.



Two climate extremes at Tocal, a flood in 2007 and the 1991 drought.

### Soil

Soil is the basis for agricultural production and vegetation, therefore protection and improvement of the soil is our aim. Understanding the nature of the soil allows us to use the land in the best possible way.

The first policy for soils is:

- Soil will be kept healthy and fertile by appropriate management. The following practices aim to maintain or improve soil health:
  - » Maintain ground cover at a minimum of 90%
  - » Fertilise to increase production from and persistence of introduced, productive species and maintain high organic matter levels
  - » Use land according to its capability and use information such as soil tests to assess each paddock
  - » Ensure the health of soil microbes and beneficial organisms by reducing compaction and by maintaining soil fertility, an efficient water cycle, suitable pH levels and recycling of nutrients to encourage dung beetles and earthworms
  - » Ensure the soil structure remains intact by preventing overgrazing, soil compaction and inappropriate cultivation and by preventing erosion that exposes sodic subsoils
  - » Match the water entering the soil profile with healthy plant growth so waterlogging and soil salinity problems do not emerge

The second policy for soils is:

- Soil problem areas will be identified, mapped and remedied by conservation works or management. Existing soil problems or potential problems will be addressed by the following:
  - » Grade banks protect farm roads from erosion. To remain effective they must be kept in good repair and protected from degradation by stock trampling or vehicle passage
  - » Where gully erosion has occurred in the past, farm dams have been constructed to stabilise the area. To ensure they remain effective the areas will be fenced off from stock access as funding allows
  - » Soil structure declines through compaction by grazing animals, inappropriate cultivation or overcropping and by overgrazing. Use of minimal tillage cropping in appropriate areas, cropping rotation and careful management of grazing will minimise soil structure decline
  - » The coastal soils of Tocal are naturally acidic and acidity increases with the use of introduced pasture species, especially legumes, and the use of fertilisers, especially nitrogen. Soil tests are used to monitor soil acidity levels and fertilisers are carefully chosen to reduce the risk. Lime is applied to paddocks that show levels of lower than pH 5.5 (Calcium chloride test)
  - » Few soils on Tocal show signs of salinity. Healthy perennial pastures with adequate treed areas will help ensure this does not become a problem
  - » Some areas around the Tocal Homestead wetland have been identified as Potential Acid Sulphate Soil areas. Currently there is no evidence of acid sulphate, however these areas will be permanently reserved as wetland and managed so they are never drained or excavated to expose the acid sulphate soil problem
  - » Soil tests are used to monitor soil fertility. Fertilisers are only applied according to soil test results, where economic responses can be expected and off-site impacts can be avoided. Soils that are infertile, shallow or not sown to introduced species are not fertilised and grazing of native species is limited and strategic - designed to maintain the natural vegetation cover without losing of degrading species.

More detail on the soils of Tocal is available in the publication 'The Soils of Tocal' available online.



Bona Vista lagoon: a stark almost bare landscape in 1981 and right as it now appears, heavily treed with an abundance of shade in the adjacent paddocks.

### Water

Reliable and high quality **stock water** is required for each paddock on Tocal. The property is fortunate in having areas of wetland, lagoons, creeks and the Paterson River as natural water resources. These water bodies, however, can be easily degraded by poor management, and the results of past misuse are evident.

In order to protect the natural water resources:

- Water sources will be protected from degradation and managed to maintain high quality water and a stable riparian zone
- A policy of providing alternative water sources in the form of dams and troughs rather than relying on the natural water courses will be implemented.

**Irrigation water** is a vital component of the Tocal dairy. Water is pumped from the Paterson River which is tidal at Tocal. Water quality for irrigation is usually satisfactory, although in times of drought, salinity readings may rise to unacceptable levels.

The policy for irrigation is:

 Irrigation will be applied efficiently: matched to plant and soil type, to ensure that crop and pasture growth is not restricted by lack of supply, and that excessive watering does not add to groundwater supplies.

Protective works have been carried out on several fragile **wetlands**, including the Bona Vista lagoon (beginning in 1981), wetlands in Racecourse paddock, and the establishment of an artificial wetland/dam in Railway paddock. The policies on wetlands are:

- More wetlands are to be protected and rehabilitated through fencing and plantings
- Dam building will incorporate wetland areas.

The health of the **waterways** on Tocal have a direct effect on the water quality of the Paterson River.

• Major waterways will be progressively fenced off and managed for biodiversity.

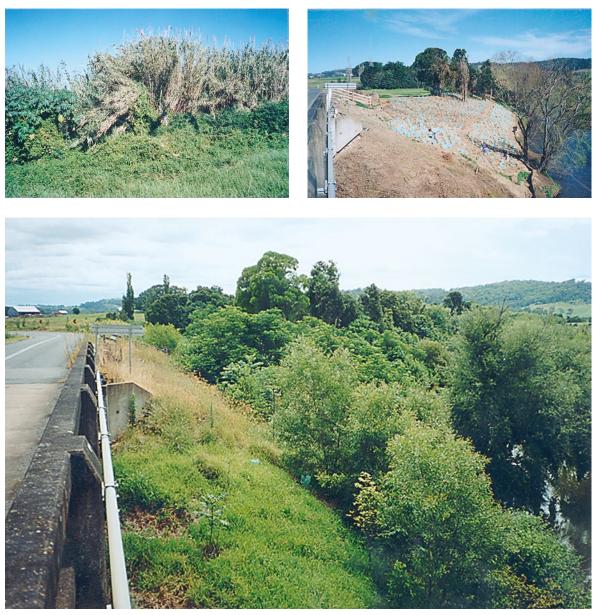
The fenced off areas will be managed to reduce weed invasion and planting of native species will be carried out if natural regeneration fails. Alternative arrangements for stock water and shade will be made.

A final policy for protecting water resources is:

 Water problems will be identified, mapped and managed to improve the condition of the water and the surrounding landscape.

Planning of farm enterprises and site works, as well as drought plans and water conservation plans must ensure there is adequate water available for stock

Water quality issues must also be taken into account including muddy water, saline water, and water contaminated with animal manure or chemicals entering water sources. Protective works on the Tocal wetlands will ensure that they are as efficient as possible at filtering some contaminants; restricting stock access to dams will reduce pollution of dams, as will careful application of fertilisers so the nutrients do not enter the dam; and finally buffer strips around all waterways will improve water quality by preventing erosion, removing stock and filtering the inflow of water.



Progress on Webbers Creek; removal of a stand of Giant reed in 1995 at top left; planting out the site in 1996 at top right; and the same view in 2004, above.

### Vegetation

Protecting and increasing **biodiversity** is in every farmer's best interests. Maintaining a wide range of native plants and animals in an agricultural environment maintains the health of an ecosystem meaning it is more resistant to invasion by pests and diseases. A healthier ecosystem is stronger and more productive.

Carefully thought-out tree planting can be important to improving biodiversity and pasture and livestock production.

The policy for increasing biodiversity is therefore:

• That tree planting be continued to achieve a more balanced landscape.

**Pasture and grazing management** on Tocal identifies areas to be pasture improved, areas for production within the land's natural capacity, while other areas are designated as habitat areas. This approach provides for land with high potential to be improved and grazed as well as for habitat areas within these paddocks. Those areas will also provide shelter for livestock.

The policies for pasture management and grazing are:

- That the best land be improved and maintained at a high level of production
- The use of artificial fertilisers will be closely monitored and targeted
- A grazing strategy will be developed for the beef pastures
- Native pasture areas will be encouraged through strategic burning and grazing, and minimal use of fertiliser in designated areas
- Shade and shelter will be provided in all grazing paddocks.

Substantial areas of **existing bushland** are found in Ridge, Bush and Top Bush paddocks. These areas are managed to maintain biodiversity and tree cover. Maintenance of tree cover will also retain trees with hollows which are important for many breeding birds and critical habitat for many animals; it will avoid erosion in steep areas; and identify areas where selective thinning can supply some on farm uses of hardwood species.

The policies for managing tree cover are:

- That there be minimal felling of old growth trees
- That only selective clearing of fencelines in bushland areas be carried out
- That current timber resources be classified and managed for both timber production and habitat purposes.

Management of vegetation on Tocal provides for **habitat** for animals, birds, insects and fungi. Rotting, hollow timber and dead standing trees and rocks provide important habitat and will only be removed for safety or efficient paddock management. Wildlife also need to move around the property safely. To this end a network of wildlife corridors are being planted to encourage wildlife to range from riparian zones to the top of ridges. Added benefits are seen in reintroducing understorey species, removal of livestock from creeks and protecting pastures with windbreaks.

The policies for maintaining habitat are:

- That dead trees, fallen timber and rocks be left in place
- That wildlife corridors be constructed of left intact in the grazing landscape.

**Fire** is an important and useful tool in managing biodiversity and controlling hazards. More research into the use of fire is needed for a policy to be set. Any burning policy will involve conflicting demands, and will need some compromises to be agreed on.

A plan for strategic burning of bushland areas will be developed.

**Weeds** can cause problems ranging from nuisance value to serious threats to production and biodiversity. Tocal is in a warm temperate area with a wide range of tropical and subtropical weeds. Appropriate grazing management is the key to controlling many weeds in pastures. A weed control strategy will be developed to target weeds in their location as well as annual control measures.

- African Olive (Olea Africana syn. Olea europaea subsp Africana)
- Balloon Vine (*Cardiospermum grandiflorum*)
- Water hyacinth (*Eichornia crassipes*)
- Lantana (Lantana camara)
- Green cestrum (Cestrum parqui)
- Fireweed (Senecio madagascariensis)
- Giant Parramatta Grass (Sporolobus indicus var. major)
- Thistes (various).

The policy for weeds is that a weed risk assessment will be completed.



Small family groups of kangaroos are common close to the Homestead and Campus.

### Organisms

Other organisms apart from vegetation contribute to the biodiversity of a landscape. They range in scale from wildlife such as kangaroos and dingos to micro-organisms that are vital for soil and plant health. The also vary greatly in their effects: some organisms are toxic to plants (some fungi and bacteria) or feral to the land (foxes and rabbits) while others provide great benefits (earthworms and mycorrhizae or 'friendly fungi').

### Encouraging beneficial organisms.

Maintaining a range of native animals in the local ecosystem adds to biodiversity. The more diverse the ecosystem, the less susceptible to pests and diseases it is. The populations of birds and small animals that directly control insect numbers contribute directly to grazing production. The place of kangaroos and wallabies is more debatable. Previous studies suggest local kangaroo numbers are fairly stable, and do not pose a threat to grazing productivity. Indeed, their presence adds to the ambience and tourism potential of Tocal.

The policy for encouraging beneficial organisms is that native wildlife continue to be protected.

### Dealing with problem organisms.

At various times feral animals pose a threat to the land and to livestock. The threats include wild dogs (including dingos), pigs, rabbits and foxes. Where necessary, control measures are implemented. Control campaigns are conducted according to strict guidelines, following advice and recommendations from the Rural Lands Protection Board, and safety (warning) signs are displayed at these times.

Other problem organisms may include diseases in plants or animals, insect attacks on pastures or crops or parasites in livestock. None of these poses a major threat, although the risk of exotic diseases is always present for Australian agriculture. The protocols and recommendation of the Department of Primary industries will be followed for the control of any of these organisms, including cooperating and communicating with adjoining landholders.



Effluent disposal at the Tocal dairy.

### Pollution control

Controlling pollution and contamination on farms can help profit as well as the environment. Over-use of fertiliser wastes money and adds unwanted nutrients to creeks and rivers. Agricultural chemical sprayed near watercourses are a waste and a hazard.

The issues in pollution control that apply to land use are:

- fertiliser use
- agricultural chemical use
- chemical residues
- waste management.

The policies for pollution control are:

- Agricultural chemicals will be used as little as possible, and only if fully justified
- Care must be taken to prevent unwanted side effects of chemical use including loss of non-target plants and soil organisms. Particular care needs to be taken near open water and drainage lines to reduce risk to aquatic organisms
- Chemical residue areas will be identified.

Areas containing chemical residues will be described and recorded in property maps, information publications and on a Global Positioning System. This will enable others to learn from how the College has dealt with these problems and will put them in the public domain. The areas in question are:

- organochloride residues in the main yards
- organochloride residues from foundations of the former cottage at Bona Vista, now the rainforest plot
- possible chemical residue from the past use of dieldrin super to control black beetle on dairy pastures in 1971 in Lagoon, Section IIA, Section IIC, Section IIIA3 and Windmill paddocks
- the former chemical disposal pit in Quarry paddock
- the previous chemical storage site between Apple and Horse paddocks - this was bunded and well maintained but should be monitored into the future
- the old timber treatment sites using copper chromium arsenate (CCA) in Run and Quarry paddocks.

Any waste generated by College or agricultural activities will be disposed of in an approved manner, taking into account the environmental consequences of any actions.

### Dairy waste management

The College dairy uses a two pond aerobic and anaerobic treatment system. After a period of storage, wastes are pumped out onto pastures via centre pivot irrigation system over an area of 35ha. The system needs ongoing monitoring and management to ensure that effluent does not seep into watercourses. Milk from the dairy that may be unsuitable for delivery to the factory will be drained into the dairy effluent ponds before spraying on pastures. This is only suitable for small quantities. It is important the milk not enter watercourses.

### College effluent disposal

Effluent is sprayed on the Horse paddocks after it is treated in the College treatment plant. This is approved by the Environmental Protection Authority and subject to licence conditions. Performance of the treatment plant is monitored according to the guidelines set down by the EPA and Public Works. Treated water is checked regularly for phosphate, nitrate and ammonia.

### Disposal of dead animals

In the past, animals have been disposed of by burying, dropping into open pits and burning. There are difficulties with all of these methods, and alternatives need to be considered. A composter is used at the Numeralla chicken farm for dead birds. Large animals are disposed of in a pit, which is covered with fill. Where possible, a local pet food supplier is contacted before the death of a large beast.

### Disposal of rubbish

No rubbish, refuse or other material is to be dumped on the property except for a specific purpose. This means that no parts of the farm should be used as a dump. All refuse is to be removed and taken to the appropriate councilapproved facility. Sometimes clean fill is needed for road building, yard base or similar works. This is the only type of dumping permitted. At times piles of wind-thrown timber will be burnt, and CCA-treated timber, metal fittings or nonflammable materials will not be added to these piles. College educational activities and the College dining hall produce a large amount of rubbish. A satisfactory recycling system will be investigated to deal with this rubbish.

### Quarry Creek Wetlands

The wetlands area in Racecourse paddock collects the discharge from Quarry Creek. Pollutants from the catchment of this creek, which is not on college land, will be stripped from the water by wetland vegetation before it re-enters Webbers Creek and thence to the Paterson River. This measure will guard against the problems of pollution caused by any closer settlement in the headwaters of this creek system.

### Conserving cultural heritage

The farms at Tocal show evidence of human occupation over the last 40,000 years. The strongest imprint was made in the first 200 years, but there still signs of earlier land use. The College values these and will seek to preserve this heritage.

There are a number of significant buildings on the property, including two homestead complexes at Tocal and Bona Vista. The Burra Charter sets out principles and practices in the preservation of these areas. The College must abide by the Charter in the Homestead areas. Its philosophy should be applied to the whole property where ever possible in order to preserve the heritage setting that gives the Homestead its sense of 'place'.

- Significant sites of Aboriginal and European history will be recorded and conserved
- Significant sites of agricultural history will be conserved and interpreted.

### **Pastures**

As a general rule introduced pastures are concentrated towards the front of the property and native pastures at the back of the property. The current management objective is to maintain a balance between the two so that we can take advantage of both the adaptive nature of native species to environmental conditions and the higher productivity potential of introduced species.

### Historical distribution

The current distribution of native pasture in the lower Hunter is a reflection of management and climate, particularly in the last 200 years. Before European settlement there was probably similar pasture types but management was very different. There was probably a greater variety of native pastures and a different distribution of pasture types under those conditions.

Pre-European settlement, fire also played a greater part in the local ecosystem. There is still a lot of burning in this district particularly on hill slopes in spring, but Aboriginal land management included more warm season burning and maybe autumn burning as well. As a result of that there is a good chance that some of the yearlong green perennial species like Weeping Grass and Wallaby Grass were more common than they are now. The grazing by native herbivores unrestricted by fences and with few permanent water sources would have favoured areas of recovery and seed production.

### Current growth patterns and distribution

Currently the more resilient species tend to be the summer growing native pastures, particularly the taller warm season species like Kangaroo Grass and Barb Wire Grass. They dominate in areas of poor soil, for example the slopes and around the timbered areas. They are not particularly resilient to grazing so are often grazed beyond their capacity, especially in dry conditions. These species have therefore been replaced by shorter warm season species like Couch and Carpet Grass. Where fertility has been increased artificially, Kikuyu and Paspalum will also be more prevalent.

Species such as Weeping Grass and Wallaby Grass are more palatable than some of the other native species in this region so they are grazed more heavily and are therefore less common. Weeping Grass tends to be mainly on the better soils and protected areas. Wallaby Grass is not very common at all. It is restricted to areas that have been excluded from grazing for quite some time, where small remnant populations have managed to hold on.

### On Tocal

Bowkers Paddock at the back of Bona Vista is a 40 hectare paddock that has had very little inputs since the 70s. This area of the property was set aside from conventional management and allowed to keep ticking over naturally. There are still some representative areas of native pasture in that paddock but once again the introduced summer growing species like Paspalum, Couch and Carpet Grass are also well represented and really take the dominant role, particularly in a wet summer season. Sheep grazing has been the dominant use of Bona Vista but in recent years more cattle have been introduced. There is probably some change in the distribution of pasture species as a result.

There are also strong native pasture communities in Bush and Shell paddocks. There are patches of Wild Sorghum, which is a large tussocky grass that grows particularly well on hill slopes on better soil types. It is good for slowing down water movement so its large tussocky nature stabilises hill slopes. Wild Sorghum also occurs in patches closer to the College. Hill paddock behind the Homestead contains some Wild Sorghum.

Other native grasses that are found around the farm are:

- Wire Grasses or the three awned wire grass (*Austrostipa* species). It is a summer growing species, is relatively unpalatable and it can increase under continuous stocking. There are patches in Bush paddock as well as isolated plants in many other paddocks including Hill paddock.
- Weeping grass (*Microlaena stipoides*) is common in many paddocks across Tocal and is especially abundant in shaded areas.
- On Hill paddock there is also some Red Grasses which are *Bothriochloa* species. It is a slower growing short warm season native perennial grass that can cope with difficult conditions. It isn't particularly palatable although some areas do get reasonable production from it.
- Along the railway line below Hill paddock there are patches of Queensland Blue Grass (*Dicanthium sericeum*), a very palatable native grass which is quite productive. There are also patches of it in other paddocks. The Queensland Blue Grasses prefer good soils and rainfall and are far more common in the Upper Hunter.
- Behind the tennis courts is some Plains Grass which is an *Austrostipa* species. It is a reasonably palatable grass, and there are a couple of isolated pockets of it towards the riverbank behind the Homestead. Once again it is a grass that was probably more common across the flats years ago which has been taken out by continuous grazing and pasture improvement by people who were looking for more productive winter pasture. This is unfortunate because it is quite a deep rooted perennial plant and is very useful in floodplain soil.
- Other native grasses on Tocal include Blady grass, Plume grass, Native Parramatta grass, Kangaroo grass, Barbed Wire grass and Five minute grass. Native Glycine is a native legume that also occurs on Tocal.

### Management

Grasses drive the agricultural production system. Many beef producers find themselves in a situation of having a lot of short warm season (introduced or naturalised) perennial grasses like Couch and Carpet Grass with some Paspalum and Kikuyu where it is more fertile. Queensland Blue Couch, Couch and Carpet Grass are quite low in productivity, so many managers have limited options other than pasture improvement which is quite expensive. The aim then tends to be to shift from short warm season perennial grasses to incorporate more tall warm season perennial grasses for a drought reserve and opportunity grazing and also to encourage the introduction of yearlong green perennials through grazing management. That is a real management challenge and is probably not possible under a continuous grazing system but may be possible with the judicious use of fire and strategic spelling. It is only successful in cases where there is enough soil seed bank of those species. In areas where these species haven't been seen for 20 or 30 years the soil seed bank is quite limited and there won't be much reward for locking up country and burning.

Observing pasture types is essential in management of native grasses. Seeing what's there and then taking the opportunities of a good season such as a summer where Kangaroo Grass is setting seed or some of the yearlong green perennials appear. Then maybe allowing those plants to seed and then accommodating their growth needs in the subsequent seasons (such as a fire in autumn to allow the yearlong green perennials to establish) may be a way to change states.



Austrostipa species.



Dicanthium sericeum.



Microlaena stipoides. Photo: David Eddy

### Weed Management

There are a number of invasive weeds on Tocal.

### Invasive Grasses

Coolatai grass (*Hyparrhenia hirta*) is an erect tussocky warm season perennial grass that is regarded as a potentially serious weed of poorer soils. It is also listed as a key threatening species in the invasion of native species. It has the ability to rapidly invade an area from a single plant, forming monocultures that affect the overall carrying capacity of the paddock. While its new growth is palatable it quickly becomes coarse and unpalatable to stock. Coolatai grass can be found in View paddock and invading adjacent paddocks. Patches are also appearing in other paddocks, presumably spread by cattle and vehicles. Targeted weed control in View Paddock has reduced the amount of Coolatai grass along vehicle access ways, but still remains a weed of significance on Tocal. It's close relative, Giant Coolatai grass (Hyparrhenia rufa) has not yet invaded Tocal although there is a few isolated plants that have been controlled.

Giant Parramatta grass (Sporobolus fertilis) is a Weed of National Significance. It is a warm season perennial that forms dense tussocks generally more than 1 metre tall. It is a highly invasive grass due to its prolific seed that when ripe easily spread on cattle and vehicles. Giant Parramatta grass can be found in Quarry paddock. Biological control was attempted in Quarry paddock in 2016 by applying the fungus (*Nigrospora oryzae*) (brand name: Parratrooper). The dry spring of 2017 has meant that there has been limited success to date. Targeted chemical control in other paddocks has decreased GPG in other areas but monitoring and targeted control continues.

Chilean Needlegrass (*Nassella neesiana*) is a tufted cool season perennial grass to 80 cm tall. It is a Weed of National Significance as it is highly invasive in fertile soils and produces large persistent seed banks. It can be palatable and a reasonable quality feed in winter but stocking rates can be reduced up to 50% during summer. This grass has not yet been found on Tocal, but in 2017 dairy cattle were relocated to Tocal from EMAI (Camden) where there is a significant Chilean Needlegrass issue. Monitoring on the dairy will be maintained to allow early control if any is detected.

Bahia grass (*Paspalum notatum*) is a mat forming grass that can spread vegetatively or by seed. It can be highly invasive in all pasture types including kikuyu. Bahia grass is considered a viable pasture grass in frost free areas of the North Coast of NSW where tropical legumes can grow as a companion species. But further south Bahia grass has a short growing season and excludes cool season legumes.

### Invasive broadleaf weeds

Fireweed (Senecio madagascariensis) is an introduced yearlong green annual or biennial broadleaf weed. It is a Weed of National Significance and is a prolific weed in the Lower Hunter. It is more abundant where pastures are damaged (eg by drought, flood, overgrazing, tillage) especially where ground cover is affected in autumn. While not palatable to cattle and horses, it can be eaten, leading to chronic poisoning in stock. Sheep are less affected by fireweed, and will seek out fireweed to graze. As a result Bona Vista has a much reduced fireweed population. Maintaining strong pasture and ground cover in autumn is the first line of Integrated weed control. In Quarry paddock there is a population of blue stem borer that attacks fireweed roots. It has only limited success in controlling fireweed and has not been successfully moved to other paddocks. When fireweed is dense it significantly competes with pasture for moisture and nutrient. At this point chemical control of fireweed may be economically viable.

### Invasive woody weeds

Lantana (Lantana camara) is a woody weed that is also a Weed of National Significance. There are areas of Tocal with lantana and the Tocal Weed Management Plan outlines a strategy for control. This strategy also outlines control of the highly invasive woody weed African Olive (Olea europaea subsp. cuspidata).



Hyparrhenia hirta.



Senecio madagascariensis.



Sporobolus fertilis.

### People

People are an invaluable resource on any farm and probably even more so on Tocal. We have an important role in agricultural education, in our local community, as NSW government facility and as a producer of high quality beef, eggs, milk and horse breeder.

People, products, services, and ideas flow into and out of Tocal and are influenced by the site and the industry in which we operate.

Nine staff members work full time on the farms. They are supported by up to ten casual staff and teaching staff. They are responsible for students who are rostered on for practical work during term.

These are made up of:

- Dairy: 3 full-time, 2 casual staff members
- Beef: 3 full-time, 1 casual staff members
- Horses: Two teaching staff allocate time to horse management
- Sheep: One teaching staff member allocates time to sheep management
- Numeralla/eggs: Two (full-time Manager and Second-in-Charge) one maintenance + 5-7 casual staff members.

Students also work on the farms. In any week up to 14 students would be working or training on the farms. At peak times, such as when breaking horses, this number can rise to 40.

The Tocal site includes offices of the NSW Department of Primary Industries, Local Land Services and Tocal College. Staff and students from these areas amount to around 100 people.

The government also plays a significant role in Tocal's production and farm decision making.

State government plays are role mainly in compliance matters particularly in relation to:

- administering and regulation of Occupational Health and Safety (OHS),
- irrigation and access to water,
- the Native Vegetation Act & natural resource management in general,
- the National Livestock Identification Scheme (NLIS)
- biosecurity,
- Award conditions (pay and working conditions) for staff,
- animal welfare,
- food registration, and
- industrial relations.

The federal government influences management of Tocal indirectly including the impact on the economy and exchange rate of government decisions and international agreements and by lobbying for the removal of protectionism. Their direct influence is through compliance issues. The Australian Competition and Consumer Commission also has the power to influence dairy industry profitability but has not yet exercised this power.

Industry trends, innovation and the social licence of farms to operate are also factors that are people based and can have significant impacts on the management and productivity of Tocal.



People are an invaluable resource on any farm and probably even more so on Tocal.



## Beef

Fast Facts: Area	1790 hectares, made up of prime pasture, medium pasture and poor pasture land as well as bushland. 10 km from front boundary (the Paterson River) to the back boundary and approximately 2 km across.
Herd size	Average 1100 head – ranging between 800 and 1400 depending on the time of the year and seasonal conditions.
Cows/breeding herd	Average 550 Brangus
Bulls	Four Angus, eight Brangus and two Charolais + around 10 weaner bulls
Market	Sale of yearlings on local stores market – around 450 head per year
Calving	Mainly in Spring. 93% calving, 90% weaning
Fencing	80km, 3 km of boundary fence was replaced in Line and Quarry paddocks in 2016
Paddocks/Dams	45 paddocks, 46 dams and lagoons
Roads	40km roads and formed tracks
Rainfall	950mm (40") on average. Seasonal variability is significant for example 2016 was a very tough winter with below-average rain and no decent run off rain to fill dams in 12 months. Even with a tough season, spring rainfall ensured the production of 220 round bales of hay and 25 round bales of silage.

For more images taken on the Tocal farms go to our Flickr page [https://www.flickr.com/photos/tocalcollege/] and open the 'Tocal farms' album

### Details

The area includes a well balanced mix of grazing country including:

- 609ha of heavily timbered country,
- 590ha native/naturalised pasture,
- 421ha improved pasture and
- 403ha degraded improved pasture.

#### Herd size and composition

The beef enterprise centres on a breeding herd of around 550 females. A total of up to 1400 head can be on hand at Tocal when calves, heifers and bulls are included. The breeding program involves the use of Brangus and Angus bulls to maintain a crossbred herd. Charolais bulls are used in the terminal herd.

#### Market

The major market focus is store cattle (cattle that are sold to be fattened by someone else). All steers (castrated male animals) born each year are sold as well as excess heifers (young females before first calving).

Income is also received from sales of cull animals. These include:

- All calves from the terminal herd they are sired by Charolais bulls giving hybrid vigour to the calves.
- Cull cows that are not pregnant after joining
- Some commercial bulls are sold this is an inconsistent source of income as it is not the focus of herd management.

Each year students in the full-time courses operate a feedlot. This is an educational exercise rather than commercial and as such very little income is made. Twenty-five animals are housed in the feedlot for 90 days. They are fed twice daily on hay, barley and additives that provides trace elements to support animal health.

#### Age/size when sold

Each year approximately 450 calves are born and are weaned and sold at about 7-8 months at an average weight of 280 kg.

#### Average price

A particularly good year was had on the beef enterprise in 2016; selling prices were high throughout the year. Income from stock sales was \$558,817, an increase of 28% on the previous year's income. Most sales of cull cows were direct to abattoirs except for a spring sale of weaners that was conducted through an online auction house. All calves sold above market value.

Six Brangus bulls from our Elite herd also sold to a top of \$5000.

Predictions are for a drop in cattle prices and if this plays out it will be reflected in income in coming years despite anticipated consistent production levels.



Up to 1400 beef cattle can be on the property at any one time.

#### **Costs of production**

Winter pastures including oats, rye, clover, chicory and plantain (composition is determined annually depending on seed prices and seasonal conditions) are sown each year to supplement the native/naturalised pastures that have reduced feed value over winter. Pastures are fertilised to maintain production levels, again decisions are made based on seasonal conditions and recent pasture improvement activities. Predicted cost for pastures in 2017 is ~\$125,000.

Drench and vaccines to maintain healthy animals includes routine use of a seven-in-one vaccine against diseases including pulpy kidney disease, tetanus, black disease, malignant oedema (blackleg-like disease), blackleg and leptospirosis. Health costs in 2017 are estimated at \$25,000.

Pest and weed control are considerable costs to the enterprise. Control (mostly by contractors) of lantana, wild olive and eucalypt regrowth is estimated to cost \$28,000 in 2017.

Maintenance of machinery, yards and fences is estimated to cost \$25,000 in 2017.

Labour costs are also taken into account although these are higher than expected on a farm of this size as additional staff are needed to support the education aspects of the farm operation.

#### Pastures used on the farm

Introduced species such as Kikuyu, Paspalum, Phalaris, and a range of clovers including White and Subterranean are encouraged and sown on the property. They are highly productive pastures that need improved levels of fertilisers or plant nutrients so they are fertilised regularly and subsequently give high levels of production. We try to retain some native species in pasture because native species have the advantages of drought resistance, good recovery after rainfall and they provide habitat and food for a lot of native organisms. The management objective is to maintain a balance between native grasses that tend to be adaptable to environmental conditions and the introduced species that have a higher productivity potential. As a general rule introduced pastures are concentrated towards the front of the property and native pastures towards the back.

The more resilient native species tend to be the summer growing native pasture particularly the taller warm season species like Kangaroo Grass and Barb Wire Grass. They dominate in areas that are of particularly poor soil (eg slopes and around the timbered areas). They are not particularly resilient to grazing and so are often grazed beyond their capacity especially in dry conditions. These species have therefore been replaced by shorter warm season species like Couch and Carpet Grass. Where fertility has been increased artificially, Kikuyu and Paspalum will also be more prevalent.

#### **Property improvements**

Improvements include 82 km of fences, 3 sets of cattle yards and 36 dams. Shelterbelts, shade and wildlife corridors have been established in areas that lack tree cover. Webbers Creek is being fenced off to stop unrestricted stock access. Weed control for lantana, African Olive and other weeds is an ongoing part of the management program.

Access tracks and further subdivision fencing and the use of laneways are part of the future plans for the beef section.

#### Environment/invasive weed control measures

The main problem weeds on Tocal are Lantana and African Olive. In 2016 a lot of effort was put into control of African Olive in View and Top Bush paddocks this will be on-going in other paddocks for some years.

Eucalypt regrowth is also a significant concern for production and so regrowth is controlled around the heavily timbered parts of the property.

The beef section has attained the quality assurance measures of Cattlecare and European Union accreditation. We employ both the Prograze system of pasture management as well as Landcare principles.

Since the introduction of Cattlecare the practice of hot iron branding has stopped as this damages the hide and reduces its value. Tocal cattle are now ear-marked, management tagged and NLIS (National Livestock Identification Scheme) tagged. Breeding females are also freeze branded. NLIS tags are scanned to assist in the recording of weights and other performance measures. Improvements in technology enable the Tocal beef enterprise to be more environmentally



Control of lantana is one of the main concerns on the beef enterprise.

sustainable and to be more proactive in animal health.

#### Day to day management

Day to day activities depend on the season and the demands of the herd. Planning takes into consideration seasonal conditions, herd health and breeding management. Activities to be scheduled include:

- The Tocal beef herd is managed in a rotating grazing system with mobs of cattle moved up to three times per week
- Calves are yarded and vaccinated three times in their first year with a seven-in-one product and all animals are vaccinated annually with a seven-in-one product
- Cattle are also provided with mineral supplements as needed they often require a selenium supplement as the soil tends to be selenium deficient
- Young stock are drenched to control internal parasites
- Cows are preg-tested after joining and those not pregnant are sold. Pregnant cows are freezebranded and join the breeding herd
- Marking of young animals includes castrating of male calves and tagging of all calves with ear marks (a 'T' out of the ear), ear tag with management number and an electronic National Livestock Identification Scheme (NLIS) button
- Cows and heifers are run in eight mobs and are joined with bulls for calving at two different times per year (spring and autumn).

The herd is closely monitored and management decisions are made to maintain its health. For example in 2016 three-day sickness was the worst it has been for many years with some losses in calving heifers as they had never been exposed to the virus. While there is little can be done to help a cow with three-day sickness, animals that are kept quiet and not yarded have a better chance of overcoming the illness.

Maintenance activities also form a large part of the day to day activities including maintenance of machinery and infrastructure.

Student training is carried out on the herd as part of the husbandry and maintenance operations with nine to twelve students rostered to work on the beef section daily.

#### Herd management

The beef herd is planned to maintain a strong genetic diversity and to ensure calving occurs in suitable seasonal conditions. Two calving herds are run to spread the calving throughout the year – this spreads risk and enables closer observation of calving and young calves.

Cows are joined to bulls for nine weeks and the heifers for seven. The Autumn calving herd calve in March and the Spring calving herd calve in August.

Each year approximately 550 calves are born and are weaned at 9 months.

Thirty to forty cows are impregnated through artificial insemination (AI). AI allows us to access semen from higher quality bulls that we could not afford to purchase. Semen straws are sourced from American and Queensland bulls and in the last few years we have had better results from the Queensland straws. Straws coast between \$20 and \$80 per straw.

There were no bulls purchased in 2016 as the AI programme is providing the opportunity to retain sires to use in the commercial herd and as the program rolls along we are also seeing an improvement in value of the bulls we sell.

#### Selling cattle

Store cattle are mostly sold through online sales Auctions Plus. Purchasers then arrange for pick up from the property.

Cull cows and the feedlot steers are sold direct to abattoirs.

In 2016 we also offered bulls for sale through the online platform. Preparations for online sales

included:

- Filming and photography of sale bulls by agent so they can be viewed on Auctions Plus.
- Scanning for eye muscle area and intermuscular fat.
- Structural assessment by vet and semen testing.

#### Water costs

We have a small water usage allocation as this section of the Paterson River is unregulated. Water is used irregularly for irrigation of limited areas of improved pasture. There is no significant cost to the enterprise.

#### Use of technology

#### Herd management

We use herd management software that records each time we see an animal in the yards, what treatment they receive and where they go. When they move up the race we scan their NLIS number button – which is linked to their management number – and we can either record what we did to each group and where they went including if they were sold. We can also see on the Gallagher screen when we last saw them, and what has been done in the past. The Gallagher links to the scales in the race and weights are also recorded automatically. The daily records are downloaded to a desktop computer at the end of each day to update our herd management records.

#### Selling / processing

Online sales are described above.

#### Pasture/ supplementary feed

Recent introduction of auto-steer technology on some farm machinery and the use of GPS mapping of pasture improvements will lead to a more efficient application of seed and fertiliser and will become increasingly important in the coming years as this technology in integrated into our everyday activities.

Some parts of the property have recently been EM surveyed this information will help us to be more targeted in fertiliser application and manage pastures more efficiently.

#### What factors make this a good location for a beef farm?

- High rainfall and moderate climate
- Good access to water
- Bos Indicus beef cattle are well suited to the environment here
- Easy access to major town and markets
- It's a beautiful area to work and live in.

#### What are some limiting factors to beef production?

- The coastal location means that soils are not suited to pastures that allow for fattening of animals it's why we have a store breeding enterprise.
- Flood events can put 150 hectares under water reducing available pasture and affecting the pasture growth across that area. The clean up after a big flood can take a year to get pastures back in shape and replace fencing.
- Tocal is a very public beef cattle enterprise; the property can attract a lot of attention and comment about management decisions. It is vital that the social licence for farming operations is maintained as beef breeding and animal welfare issues can impact on our place in the local community.

#### Effects of global changes

#### How exposed is Tocal beef production to changes in the global economy?

Fluctuations in global currencies can have a huge impact on the prices we get for our cattle. 70-75% of Australian beef is produced for export so currency fluctuations can make purchasing our beef less attainable in some countries, reducing demand.

#### Does foreign beef trade policies directly affect Tocal beef production? Why/ Why not?

Absolutely – the clean Australian product image must be retained. This is a major focus of the biosecurity unit of the NSW Department of Primary Industries as well as other government departments.

## What external global changes are likely to have the greatest impact upon Tocal beef production in the future?

Extreme weather events and increasing climate variability. Our terminal herd is one of the ways we are addressing this. While conditions are good and feed and water are abundant this herd provides surplus calves for sale. When times get a bit tougher these are the first to be sold to conserve resources for our more valuable breeding herd.



## Dairy

Fast Facts				
Area	260 hectares: 80 hectares irrigated for milking cows, 125 hectares dryland pastures often shared between milkers, dries and heifers and 95 hectares used exclusively for dry cows and heifers.			
Herd (September 2017)	265 Milking Cows, 57 dry cows, 74 heifers, 28 springers, 96 calves, 2 bulls			
	+ 175 cows and heifers will be transferred over a period of 12 months from another DPI dairy that is closing in mid-2017			
Production	Average production is 28,000 – 32,000 litres/week or 1.5 -1.6 million litres/year in 2017. The expansion of the herd will mean production will increase to 2.2 to 2.5 million litres by June 2018.			
Pastures	Kikuyu-based oversown in early autumn with ryegrass, white clover and red clover with some chicory and plantain. Also forage crops such as sorghum or lucerne.			
Irrigated area	80 hectares total. The system has travelling irrigators, three centre pivots and hand shift irrigation systems.			
Fertiliser	Starter fertiliser, selective use of nitrogen and poultry litter. Some paddocks are limed. Fertilised with N+P+K regularly.			
Milking Parlour	15 a side parallel.			
Milking time	120 minutes (approximately).			
Average Production/Cow lactation 7,700 litres.				

Market Supply to Murray Goulburn Co-operative Co. Limited. Milk is transported mostly to their Sydney processing operation mostly for liquid drinking milk supply to Coles Supermarkets.

The dairy farm has a milking herd averaging 280 - 300 mostly Holstein-Friesians with some Aussie Reds and cross-breeds. With dry cows, heifers (grown for replacement and sale) as well as calves the dairy herd is about 550 - 600 head at any time throughout the year. Cows are milked twice a day and the average production per cow is 23 litres per day. Total milk production for the year is approximately 2.2 million litres. The milking herd is mostly artificially bred with the semen being purchased from USA, Canada and Australia. Herd recording is undertaken once a month to monitor individual animal performance and assist in management decision making. The NLIS tag, in each animal's ear, is scanned to assist in this process. Our herd records are maintained electronically using EasyDairy software.

Pastures are managed using the "Managing Pastures for Profit" system devised by the Dairy Pathways project. Additional concentrate feeding occurs during milking and on a feed pad as required. Depending on seasonal conditions about 500 tonnes of silage and hay is made from surplus pasture each year and is fed out to the cattle when needed.

The dairy is both Cattlecare and HACCP (Hazard Analysis and Critical Control Point) accredited. The finances of the Dairy business are monitored and reviewed as part of the Dairy Farm Monitor Project sponsored by NSW DPI and Dairy Australia.

For more images taken on the Tocal farms go to our Flickr page [https://www.flickr.com/ photos/tocalcollege/] and open the 'Tocal farms' album. We also have a video (made before the dairy upgrade) of the operation of the dairy on YouTube [https://www.youtube.com/watch?v=wurkcS7e\_bM&t=6s].

### **Details**

Size of the farm: 80 ha of irrigated land and 220 ha dryland.

#### Herd size:

Numbers can fluctuate throughout the year but averages are given below. 2014 numbers have increased due to acquisition of 'sister' herd stock from EMAI. Confidence in price projections with Murray Goulburn and favourable, short term seasonal forecast encouraged purchase of in-calf heifers. Overall numbers will be reviewed in light of 'dry' spring forecast and dependant upon latest price (and cost signals). 2013 numbers were reduced due to destocking in spring 2012 (This was initially a reaction to reduced price but also affected by a reduction in replacement heifers available. Reduced heifer numbers resulting from earlier short term decline in herd reproductive performance).

2017-18 = 280-300 2016 = 180-210 2015 = 225 milkers 2014 = 225 milkers 2013 = 180 milkers

#### Herd composition:

Great majority are Holstein (98%) with some Illawarra and Illawarra cross from a previous herd acquisition. Tocal trialled running a Jersey bull with its maiden heifers in an attempt to increase the number of dairy replacements available. Nearly all these Jersey x Holsteins have been sold with a few being retained for evaluation once they enter the herd. However Holstein bulls are now purchased and run with maiden heifers allowing pure bred replacements. It is hoped these purebreds will return a premium sale price if sold as dairy replacement heifers, domestically or internationally.

#### Milk per cow/day:

Fluctuates with season and 'freshness' of herd (i.e. average number of days since calving, also called average Days In Milk (DIM) or Days Open). Common range between 22-31 L per day. Target around 26 L averaged over the year and currently around 20.6 Litres. Average is significantly down due to proportion of late lactation cows and reduction in fresh pasture (due to dry autumn).

#### **Quantity of milk collected each day:**

Fluctuates with season and 'freshness' of herd. Common range between 8500 and 14500 L per pickup (NB. Tocal is usually on "Skip-a-day Pickup" so daily production is half the pick-up amount). In the autumn production will be approximately 9000 L/pickup rising to 14500 in Spring. The variation in production is due to seasonal conditions, cow numbers and cow condition.

Quality fluctuates also. Key measures of milk quality are Protein and Fat %, Somatic Cell Count (a measure of udder health, especially mastitis), Total Plate Count (a measure of bacterial contamination), Extraneous Matter (a measure of general milking hygiene) and Residue testing for contaminants such as chemicals or medicines. Demerit points can be awarded for milk that does not reach quality targets and this then affects the price received. Tocal produces good quality milk and normally achieves payment in the 'premium' milk quality band. Minor issues with SCC exist currently. Factors responsible include retention of cows normally culled due to mastitis (possibly needed to maintain herd numbers) and seasonal conditions.

Date	Temp	Volume	Reject Volume	Fat %	Fat Kgs	Protein %	Protein Kgs	SCC	TPC (000s)
01/10/16 Fri	3.8°	11,494	0	3.80	436.77	3.30	379.30	172	
03/10/16 Sun	3.2°	11,695	0	3.70	432.72	3.25	380.09	176	5
05/10/16 Tue	3.4°	11,566	0	3.70	427.94	3.25	375.90	196	
07/10/16 Thu	3.2°	11,368	0	3.85	437.67	3.25	369.46	214	
09/10/16 Sat	3.2°	11,246	0	3.80	427.35	3.20	359.87	199	
11/10/16 Mon	3.6°	10,960	0	3.75	411.00	3.25	356.20	190	2
13/10/16 Wed	3.3°	10,617	0	3.85	408.75	3.20	339.74	150	
15/10/16 Fri	3.2°	10,576	0	3.70	391.31	3.20	338.43	166	
17/10/16 Sun	3.2°	10,496	0	3.80	398.85	3.20	335.87	194	
19/10/16 Tue	3.2°	10,736	0	3.70	397.23	3.20	343.55	155	

A sample Milk Test Summary is shown below.

#### Farmgate price:

Actual price is affected by quantity, quality and supply management factors. The farmgate price for Tocal for April 2017 was 46.7 cents per Litre (65.45 cpl last year) based on \$6.07 (\$6.56 last year) per kg Butterfat and \$9.11 (\$9.83 last year) per kg Protein. After deductions and incentives the final price paid was 56.8 cpl. Actual price is increased compared with last year, despite a fall in milk price, due to increased fat and protein percentage of milk. See http://www.mgc.com.au/financial/ milk-pricing/ Please note: A recent small 'step up' has been announced with the price indicated being 49.6 cpl. See end of notes for graph of recent milk prices for Tocal Dairy.

In 2016 the news that dominated discussion and planning for the dairy enterprise was the dramatic drop in milk price for the new financial year starting in July. In May, Murray Goulburn Milk Co-op announced that prices for 2016-17 would drop by an average of \$1.20 per kilogram Milk Solids or 8 cents per litre. This meant a significant hit to milk income, so a new budget and management plan was developed by the dairy staff to manage the impact of the new prices.

The autumn period proved to be a difficult time for production but as the year progressed, conditions improved and the production for 2016 finished at 1,624,975 litres in line with expectations although down by 6% on 2015.

Milk revenue in 2016 was down 9% compared to the 2015 due to a significant drop in milk price for the last six months of the year and a 6% drop in production.

Sales for January 2016 -	December 2016
Total litres	1,624,975
Milk income	\$866,628
Cattle Sale income	\$76,520

An excellent, in depth review of factors affecting the price for milk and milk products and also of inputs such as grain, fertiliser, water, etc is provided in the Dairy Situation and Outlook available at: https://www.dairyaustralia.com.au/publications/situation-and-outlook-february-2017?id=F8 1CF51D65CC4DCE8B8A9A47409158A5

Part of a sample Milk statement is provided below.

Details:	Farm Quantity:	Rates:	Farm Split (%):	GST (\$):	Total (incl. GST):
Milk Income					
Total Butterfat	4,498KG	6.070	100.00	\$2,730.51	\$30,035.62
Total Protein	3,901KG	9.110	100.00	\$3,554.22	\$39,096,40
Productivity Incentive - Butterfat	4,498KG	0.160	100.00	\$71.97	\$791.71
Productivity Incentive - Protein	3,901KG	0.240	100.00	\$93.63	\$1,029.98
Total Milk Income				\$6,450.33 ·	\$70,953.71
Charges Volume Charge	113,673L	0.025	100.00	-\$284.18	-\$3,126.01
Collection Charge	15 Stops	7.500	100.00	-\$204.10	-\$3,120.01
	15 Stops	7.500	100.00	\$0.00	-\$123.75
Dairy Australia Levies Animal Health Levy			100.00	\$0.00	-\$401.79 -\$8.01
Less Total Charges				-\$295.43 #	-\$3,659.56
Monthly Deductions Share Equity \$0.09 Kgms					-\$738.08
Less Monthly Deductions \$0.00 Net Income Paid to N.S.W. TRADE & INVESTMENT - TOCAL					-\$738.08 \$66,556.07
* This GST amount is payable by the supplier # This is a Tax invoice for taxable supplies made by Mu	rray Goulburn for which an inp	ut tax credit ma	ay be available		

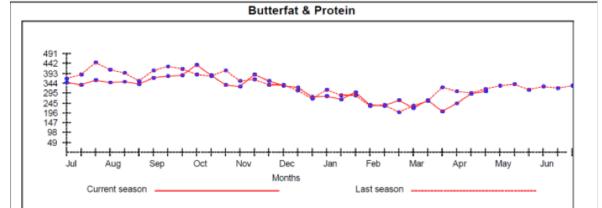
#### Milk Compostion April 2017

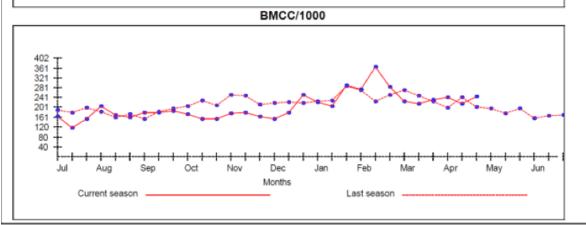
1    33,598.00    3.97    1,335.19    3.33    1,120.02      2    39,099.00    3.92    1,532.60    3.49    1,363.03      3    40,976.00    3.98    1,630.58    3.46    1,418.40      I113,673.00    4,498.37    3,901.45	Period:	Total Litres: Butterfat Test (%	%): Butterfat (KG): ProteinTest	(%): Protein (KG): Grade:		
3 40,976.00 3.98 1,630.58 3.46 1,418.40 113,673.00 4,498.37 3,901.45	1	33,598.00 3.97	1,335.19 3.33	1,120.02 Premium		
113,673.00 4,498.37 3,901.45	2	39,099.00 3.92	1,532.60 3.49	1,363.03 Premium		
	3	40,976.00 3.98	1,630.58 3.46	1,418.40 Premium		
roduction Summary:		113,673.00	4,498.37	3,901.45		
reaction outlining.	Production Summary:					
Item: Litres: Butterfat: Prote		1.11	Buttorfati	Protoint		

item.	Liues.		Bull	Bullenal.		FIOLEIII.	
	YTD	Last YTD	YTD	Last YTD	YTD	Last YTD	
Premium	1,194,207	1,259,524	47,077.44	49,542.60	38,840.75	41,723.66	
Acceptable	107,193	151,430	4,363.03	6,031.81	3,333.33	4,916.08	
Sub-standard	0	0	0.00	0.00	0.00	0.00	
Unacceptable	33,127	0	1,303.27	0.00	1,027.74	0.00	

#### Milk Proceeds Summary:

Item (ex GST):	April 2017	Year To Date:	April 2016	Last Year To Date:
Milk Income (inc. Premium)	\$64,503.38	\$664,184.87	\$75,375.74	\$797,128.54
Acceptable	\$0.00	-\$1,072.93	-\$507.82	-\$1,724.25
Sub-standard	\$0.00	\$0.00	\$0.00	\$0.00
Unacceptable	\$0.00	-\$5,309.04	\$0.00	\$0.00
Volume Charge	-\$2,841.83	-\$33,363.21	-\$3,091.15	-\$35,273.87
Collection Charge	-\$112.50	-\$1,140.00	-\$112.50	-\$1,147.50
Gross Milk Income	\$61,549.05	\$623,299.69	\$71,664.27	\$758,982.92
Levies	-\$409.80	-\$4,623.68	-\$441.38	-\$4,951.65
Net Milk Income	\$61,139.25	\$618,676.01	\$71,222.89	\$754,031.27





#### **Quota level and surplus average price**

Regulation of the national and state dairy industries ceased in 2000. From this time onwards the NSW Dairy Industry dispensed with formal quotas.

Tocal supplies Murray Goulburn Milk Cooperative. For a description of this farmer owned Cooperative and their Milk Payment Terms refer to the NSW-Sydney market region Supplier Handbook at: http://www.mgc.com.au/media/24632/Supplier-Handbook-NSW-Milk-Region.pdf

An excellent, in depth review of factors affecting the price for milk and milk products and also of inputs such as grain, fertiliser, water, etc is provided in the Dairy Situation and Outlook available at: http://www.dairyaustralia.com.au/Markets-and-statistics/Market-situation-and-outlook.aspx

#### Cull cattle sales

Cull cattle sale prices remain strong throughout 2016, contributing to the overall income.

#### Cost of supplementary feed/year:

This cost fluctuates markedly depending upon season—either locally, regionally or internationally as this affects supply and demand. It is also affected by international monetary factors such as exchange rate and world trade regulation (tariffs, import quotas, etc). Grain prices commonly fluctuate between \$180-350 per tonne and are perhaps the most affected by international factors. Hay and other feed commodities that are less likely to be exported are less affected by international price fluctuations however seasonal shortages still create market volatility. Dairy Australia provides a national commentary on Hay and Grain prices alerting farmers to likely price movements. Their regular on-line report can be found at: http://www.dairyaustralia.com.au/Pastures-and-Feeding/ Supplements/Hay-and-grain-report/International-and-national-grain-report.aspx.

Freight costs can also be significant so the distance that feed can be sourced from the farm has an impact. Current feed barley prices are around \$250/T from the farm supplier (these are around \$10/T dearer than this time last year) plus around \$50/T cartage.

In a typical year Tocal Dairy may spend around 40% of total costs on grain and supplements. This cost is equivalent to approximately 18-21 cents per Litre.

#### Cost of pasture fertilisers/year:

This cost fluctuates markedly depending upon seasonal factors that affect pasture growth rate including need for irrigation plus the cost of inputs such as fertiliser, irrigation water, electricity and fuel. These are discussed in more detail in the online Dairy Situation and Outlook reference previously provided. Significant irrigation costs were incurred last spring and summer at Tocal due the need to irrigate throughout a prolonged dry spell (NB. Not drought). Fertiliser costs are currently moderate and not the extremes paid around 2007-2008. See: http://www.abc.net.au/ news/2016-01-29/fertiliser-market-outlook-2016/7120564

Total pasture costs for Tocal are typically around \$110,000 per year. This equates to around 15 cents per Kg DM produced and around 7.0 cents per Litre.

Urea prices have recently risen reasonably by \$110 per tonne to \$570/t. This is considered a good price and still well below 5 year averages.

DAP prices have recently risen slightly by \$55 per tonne to \$695/t. This is considered a good price and still well below 5 year averages.

#### Cost of AI/ year:

In the past Tocal exclusively used AI including proven and unproven sires sourced from Australia

and overseas. Currently use of AI has decreased with the introduction of a natural service sire over difficult breeders. Tocal has also introduced the use of sexed semen with maiden heifers and is trialling its use over selected high fertility cows. Sire selection now has slightly more emphasis on fertility traits than previously. Overall these changes have balanced out and kept the expenditure on AI similar to previous years. Unproven sires = \$8-14, proven, unsexed sires approx \$20-35, sexed sires = \$45-80.

Tocal's expenditure on semen is around \$12,000 p.a. This equates to around 0.7 cents per litre.

#### Key sources of AI Straws:

Tocal Dairy principally sources straws from three companies. All are based in Australia but two have parent companies overseas. For this reason the proven bulls used may come from Australia, North America (particularly Canada) or Europe (particularly France). Unproven (progeny test) bulls may come from any of these places of origin but are mainly from Australia.

Tocal uses a Holstein sire for hand mating of cows. Another is used for mating dairy heifers. Both are sourced from a NSW breeder who principally uses North American (especially Canadian) genetics.

#### **Distributor of Tocal Milk:**

Tocal Dairy is a member of Murray Goulburn Milk Cooperative (MG) which supplies milk its liquid milk processing factory in Sydney. Liquid milk brands include the Devondale range of products. Other products include Devondale butter, spreads and cheese as well as Liddells and Table cove brands.

Announcing its entry into the NSW market the cooperative stated:

MG has signed a 10-year deal with Coles to supply milk for its private label in Victoria and NSW. Coles will also stock the new Devondale range of fresh milk, and add Devondale cheese to its shelves for the first time in nine years.

#### Cost of water extraction from Paterson River:

Tocal is on the Paterson River an unregulated stream as it is tidal up to the railway bridge at Paterson. It has had its area license converted to a volumetric license of 686 ML with which it historically has irrigated 103 Ha. Its access charge (without meter) is \$8.86 per ML per year. This is a recent significant increase. Actual pumping costs can be in excess of \$60 per ML for electricity alone. In an effort to reduce energy (electricity) costs, labour requirement and improve application and water use efficiency Tocal is considering upgrading to centre pivot irrigation. High pressure travelling irrigators which provide many of these advantages were also considered but not preferred due to electricity pumping costs of \$80 / ML compared with \$25 / ML for centre pivot.

#### Storage and movement of milk each day

Cattle graze pasture or feed on feed pad. Twice daily brought to dairy. Milk extracted by milking machines under controlled vacuum. Pumped through filter then plate heat exchange unit (plate cooler) into vat (refrigeration unit). Milk further cooled to < 4°C. Milk collected by B-double, bulk milk tanker every second day (Skip-a-day pick up) and transported to Sydney for processing including pasteurisation, homogenisation and packaging. Milk is distributed from processor to supermarkets and retail outlets. Milk vendors are sometimes used during distribution which may (rarely) include home delivery. NB. Some farms have 3x daily milking and robotic dairies allow even more. A significant amount of energy is used by the cow harvesting grass with a grazing cows ME cost around 24% of energy consumption compared with a confinement cow only spending about 10% on ME.



Extensive monitoring of cattle takes place through a computerised individual ID system.

#### Describe the technology involved with the following:

#### Milking

- Modern milking machine is an Australian design! Tocal's system is described as a 15 aside, double up parallel with ACR's (auto cup removers). Sometimes the technology is hidden (e.g. liner design, pulsation control)
- Currently able to auto scan infra-red NLIS tags during herd performance evaluation
- Able to manually individually feed. Cow cooling includes sprinkler system
- Utilises fully automated CIP (cleaning-in-place). Introduction of fully computerised individual ID, milk metering, auto-individual feeding and drafting is being considered
- Also introduction of individual stall gates to improve cow comfort and flow and movement to 90° orientation. Alternatively investment in brand new, 20 aside rapid release herringbone vs rotary vs AMS (Automated Milking system (Robots) are options.

Two major infrastructure upgrades are underway. First, the old and outdated bike shift irrigation system will be replaced with three centre pivot irrigation units operating as one system. Second, the dairy built in 1991 has been updated with a 15-aside double-up 90 degree herringbone system that offers much higher levels of safety and productivity. The project timeline is for these projects to be commissioned by the middle of 2017.

#### Pasture/ supplementary feed

- Plant breeding allowing species selection
- Research into best fit rotations (eg. CFR- Complementary Forage Rotations)
- Soil fertility testing and treatment (eg. NDVI- Normalised Difference Vegetation Index)
- Suppression of existing pasture (including herbicide)
- Minimum tillage sowing (eg. direct drilling). Irrigation scheduling (e.g. tensiometers)
- Feed assessment (eg. feed analysis, infrared spectroscopy)
- Grazing management (eg. Rotation Right Tool)
- Fodder Conservation (eg. round bale or pit silage)
- Nutrition (eg. feed analysis, ration formulation and checking)

- Feed out (eg. PMR/TMR, feedpads)
- Individual bale feeding.

In 2016 the farm purchased a new 90 hp New Holland tractor to replace two older tractors. The other main piece of infrastructure was the development of a hoof trimming crush and yards to the west of the auto drafting gates with an extension of the existing machinery shed to provide coverage for this facility.

#### Breeding

- Heat observation (eg. scratchies, marker systems, real time monitoring)
- Estrus synchronisation and management (hormonal treatments)
- AI (semen-proven/unproven, sexed/unsexed, gene marker or "genomic" sires)
- ET (embryo transfer)
- Genetic evaluation (performance recording/herd evaluation, DNA testing, calculation of breeding values)

#### Herd management

- Calf rearing (colostrum collection, testing and feeding; auto calf feeding, BJD control and the 3 Point Calf Plan)
- Herd health (biopsy, worm testing, genetic defect testing)
- Biosecurity (NLIS scheme, vendor declarations)
- Identification (NLIS readers, freeze branding, auto drafting)
- Real time recording (Smart phones)
- Recording software (EasyDairy).

The bleeding of our dairy cattle as part of a Sentinel Herd virus testing program continues under the guidance of our local LLS veterinarians.

#### Describe the pastures used on the dairy

Two main pasture systems exist depending on soil type. Podsolic ridge soils have a permanent kikuyu base. White clover persists ephemerally in the kikuyu pasture depending upon season. Most kikuyu paddocks are suppressed in early autumn to allow introduction of winter growing annual pastures, predominately Italian ryegrass but also oats. Other species may be introduced into these mixes including short lived, perennial herbs/forbs such as chicory and plantain. If carefully managed, the kikuyu base returns to dominance over the following summer when the cool season ryegrass or oats deteriorates and before summer weeds can invade. Alluvial flat soils are deeper and have generally better chemical and physical properties. If floods can be avoided they offer the opportunity to fully cultivate the soil with less erosion risk and the introduction of deeper rooted crops and pastures. They can therefore be used to grow the pasture rotations described for the ridge soils but also pastures such as lucerne. Corn (maize) has also been grown here in the past but is exposed to flooding risk at establishment and harvest.

#### What other factors make this a good location for a dairy farm?

- Tocal has ample irrigation water at relatively low cost.
- High rainfall which is reasonably reliable
- Normally relatively favourable soil moisture autumn and winter
- Temperatures allow reasonable growth from temperate species over winter and particularly spring
- Frosts are relatively infrequent
- Topography includes a mix of flat and ridge country
- Has good access to markets and fertiliser including poultry litter
- Labour is not as difficult to source as some inland dairy regions.



Summer pastures are predominanatly kikuyu-based.

What aspects of the biophysical environment are not ideal for dairy farming at Tocal? And how do you manage these issues?

1) Low soil moisture spring and summer (eliminates option of most temperate perennials).

- a) irrigation
- b) fodder conservation
- c) fodder purchases
- d) species selection on the dairy.
- 2) Frosts and low winter temps (eliminates option of some C4 perennials and reduces the productivity of others including negligible winter growth and poor quality. This creates major winter feed gap).
  - a) annual winter crop rotation
  - b) fodder conservation
  - c) species selection on the dairy.
- 3) Extreme rainfall events (floods and drought).
  - a) fodder conservation
  - b) feed pad on the dairy.
- 4) Acid Kurosol (podsol) subsoils (unsuitable for some pasture species, reduces productivity of others including reduced root growth).
  - a) Liming
  - b) use of poultry manure
  - c) species selection on the dairy.
- 5) Low P Kurosol (podsol) soils (reduces productivity of most productive improved species).
  - a) fertilising (SSP, DAP)
  - b) use of poultry manure
  - c) species selection on the dairy.

- 6) Low N soils (reduces productivity of most productive improved species).
  - a) fertilising (Poultry litter, Urea)
  - b) inclusion of legumes on the dairy
- 7) Shallow, duplex soils on ridge (including podsols) with low RAW (Readily Available Water) values leading to frequent water deficit.
  - a) irrigation scheduling (see Using Climate Data for Irrigation Scheduling at http://www. tocal.nsw.edu.au/farms/Tocals-e-farm/the-climate-of-tocal/rainfall,-evaporation-andeffective-rainfall
  - b) minimum tillage to reduce erosion and increase organic matter
  - c) species selection- Kikuyu (drought avoiding, self-mulching) on the dairy.
- 8) High THI (Temperature Humidity Index) reduces grazing time of cows and therefore reduces milk production as well as affecting fertility.
  - a) shade trees
  - b) sprinklers at dairy.

#### How does Tocal manage the impacts of climate changes?

Autumn is becoming warmer and springs are becoming drier. This is narrowing the window for the cool season pastures oversown into the kikuyu.

- a) Species selection
- b) Suppression of kikuyu
- c) Irrigation

Weather extremes

- d) Irrigation
- a) Fodder conservation
- b) Grain and other supplement purchasing
- c) Manipulation of stock numbers (destocking)
- d) Forward purchasing of grain.

## Identify the impacts that Tocal has upon the environment and the ways it manages each of these issues.

#### Lithosphere- Soils

- 1) Compaction:
  - a) evaluate soil moisture before trafficking
  - b) use minimum tillage
  - c) use of feedpad
  - d) use laneways
  - e) schedule irrigation.

#### 2) Erosion:

- a) minimum tillage
- b) promote good coverage by fertilising and irrigation
- c) maintain minimum ground cover (70-100% dependent on slope)
- d) modify grazing pressure
- e) maintain riparian buffer zone.
- 3) Loss of fertility:
  - a) inorganic fertilisers (SSP, Urea, DAP, Blends)
  - b) organic fertilisers (mainly poultry litter) (high P, moderate N, low K plus OM and others)
  - c) use all types responsibly (split rates, observe maximum recommended application rates, soil test and apply as needed, check with nutrient budgets, time with rainfall/irrigation but avoid runoff/ deep drainage)
  - d) encouragement of legume component or legume crop
  - e) irrigation of effluent on to pasture.

- 4) Acidification:
  - a) use fertilisers responsibly (see above)
  - b) irrigation scheduling
  - c) effluent containment and recycling
  - d) liming.

## Hydrosphere- Local waterway pollution (sedimentation, eutrophication etc)

- a) Riparian buffer zones
- b) Tree lots and/or undisturbed, thick perennial pasture in gullies
- c) Minimum tillage and timed paddock preparation with rainfall
- d) Responsible use of fertiliser (see above)
- e) Effluent containment and recyclingmajor recent investment allows irrigation over approx 70 hectares.

#### Biosphere- Local biodiversity

- a) Riparian buffer zones
- b) Tree lots in gullies and laneways
- c) Timber corridors and retention of remnant vegetation
- d) Use of IPM including reduced reliance on insecticides and herbicides
- e) Maintenance of perennial pastures
- f) Retention of some native/naturalised pasture

## Atmosphere- Pollutant (methane, farm equipment emissions etc)

- a) Methane- feed high quality diet, encourage efficient animal husbandry practices, use of ionophores/rumen modifiers such as monensin
- b) Nitrogen gasses- observe application rate recommendations and time appropriately with conditions (e.g. urea with rainfall, low wind, cultivated soil or thick grass coverage
- c) Nitrate- not saturated soil
- d) CO<sub>2</sub> avoidance of burning practices, encouragement of OM, conduct of energy audit (use of variable speed pumps, heat recapture, solar being investigated), regularly replace and maintain equipment, use of minimum tillage and adoption of plastic silage wrap recycling.

## How is Tocal linked to the rest of the world? (external links)

#### Breeding

Tocal Dairy principally sources semen from three companies. All are based in Australia but two have parent companies overseas. For this reason the proven bulls used may come from Australia, North America (particularly Canada) or Europe (particularly France). Unproven (progeny test) bulls may come from any of these places of origin but are mainly from Australia, particularly Victoria. We also use genomically- tested bulls.

#### Farm/Pasture technology

A large number of pasture varieties are bred and trialled in NZ or other overseas countries before being bred up here. Most inorganic superphosphate fertiliser is imported. Fossil fuel for fertiliser or direct use is also often imported. High tech equipment such as tractors, balers, spray equipment is often imported. Most pasture chemicals are imported. Milking machine technology and equipment is often designed in North America (Canada or USA) or Europe (UK, Netherlands, France) although increasingly manufacture is in Asian countries. This includes milking consumables.

#### Information/ ideas sharing

Tocal Dairy utilises information from all over the world but principally from regions with similar climate and production system (e.g. coastal, temperate pasture based farming). It particularly utilises the information network provided by Dairy Australia and NSW DPI. Programs include In Calf, Countdown Downunder, Cool Cows, Rearing Healthy Calves and numerous pasture trials. Tocal also provides information including trial results and feedback on bull progeny performance. Recently it invited dairy reproduction specialists from Sydney University to analyse its herd data. It has been the venue for many farmer field days and regularly sends members of its team to those held throughout the Valley.

#### Other external links

Tocal hosts work experience students (vets, high school), trainees, full time students and farmer groups. Tocal has an exchange program with its sister College (Gifu) in Japan. It frequently hosts professional agriculturalists, educators and trainers from around Australia and the world.

#### How is Tocal linked with the rest of Australia? (internal links)

#### Movement of milk/ milk products (to where in Australia?)

Tocal milk normally is processed in Sydney and may be sent from here throughout the state (and occasionally interstate). It currently costs around 10 cents per Litre to transport milk from Victoria to Sydney. For this reason milk producers in NSW normally enjoy a price premium above Victorian producers of around 8 cents per Litre. Should the margin be greater than this then Victorian milk would be encouraged to be supplied into Sydney at the expense of local milk. Manufactured products such as cheeses or yoghurt are normally produced in specialised factories in specific regions or states and then transported nationwide.

#### Breeding technologies

Australian produced AI straws are mainly from Victoria (the major dairy state) but sires may be sourced from all other states except the NT.

Hormones and heat detection aids are sourced from an Upper Hunter veterinary practice.

The dairy herd management program, EasyDairy is purchased from a Vic company who also provide back up.

Herd performance evaluation information is collected on farm (with milk samples tested in a Vic central lab). This information is analysed by Dairy Express in Armidale before being provided back to Tocal. This information may be combined with genetic information provided by ADHIS (Australian Dairy Herd Improvement Scheme) to make breeding and culling decisions.

ADHIS collects its information from herds all over Australia, from herd performance evaluation services such as Dairy Express and from similar agencies world-wide.

Tocal dairy has contracted to Sydney Uni for pregnancy and breeding services.

#### Supplementary feed/ medicines

- Grain from Tamworth, Liverpool plains, North West NSW.
- Brewers grain from Central Coast or Sydney breweries.
- Cottonseed meal from North West NSW.
- Pellets sourced from some of the above products but manufactured in western Sydney.
- Barley malt combings from Manildra (Nowra).
- Cornmeal a by-product of corn oil production at Rutherford.
- Veterinary products are purchased from vets at Maitland and Muswellbrook.

#### Labour force

Permanent staff live at Paterson, Maitland and Dungog. Temporary staff and contractors are from Maitland, Dungog, Gresford and Clarencetown. Tocal students and work experience students also supply labour. Consultants and advisors from Paterson, Maitland, Sydney, Muswellbrook, Taree and Nowra as well as NSW DPI staff based at Tocal and elsewhere throughout the state.

#### Information and idea sharing

See above. Tocal is used for research and demonstration by NSW DPI. It is a venue for farmer workshops and discussion/field days. It engages with other agencies such as Dairy Australia, Dairy NSW, local CMA, NCDE (National Centre for Dairy Education in Australia), local LHPA. The Tocal herd is a sentinel herd for the national monitoring of Arboviruses by Animal Health Australia. Participates frequently in agricultural and vocational education industry reviews e.g. continuing review of the duopoly of the two major supermarkets and their effect on milk pricing.



The need for greater efficiency led to the upgrade of Tocal Dairy in 2017.

#### Effects of global changes on Tocal dairy farm

#### How exposed is Tocal to changes in the global economy?

Significantly. Around 60% of Aus milk production exported therefore influenced by global supply and demand factors. Eg. Before GFC record milk prices had returned to dairy industry, only to see dramatic fall as demand vanished. Recovery has not been possible until now due to high \$AU. However, recent falls plus reduced supply by other export countries have provided confidence for MG to announce record opening milk price in Vic. Global economy also affects price of imports. Lower \$AU may increase these but not normally as much as milk price. Global supply/demand factors more likely to affect price of imported inputs, especially fertiliser, fuel, grain. Even though grain is locally sourced the export price underpins the domestic so supply/demand factors and exchange rate critical to its price on farm.

Changes in global economy can have a dramatic and rapid effect on Australian dairy farmgate milk price with little opportunity for the farmer to adjust production accordingly in the short term. E.g. After a sudden indication of improved milk prices it takes a long time to build up national or individual herd cow numbers (3 years from birth to herd entry plus very little opportunity to increase herd replacement rate anyway). Pastures/feedbase and conserved fodder also takes at least 1-2 years to 'ramp up'. On the other hand, if the global economy creates price signals for reduced production it is very difficult to 'turn the milk tap off'. Even with suddenly lowered milk price the current herd must still be milked daily and fed to remain healthy and fertile. There are significant numbers of increased herd replacements still to enter the system and usually the main establishment cost of increased pasture production has been spent. For this reason dairy farmers must often operate at a short term loss when price signals deteriorate rapidly (loss minimisation) and in order to retain the potential to respond to any sudden improvement in price signal.

If production remains unprofitable in the longer term there are actions the farmer can take to reduce losses but often maintenance expenditure is curtailed. This makes it very difficult to respond to the next price improvement and can only occur for so long before the farm becomes unviable.

## Does foreign dairying trade policies directly affect Tocal dairy farm? Why/ Why not?

Australia only produces 2% of world milk but supplies 11% of world export trade (4th largest trader). Many of its competitors on the world market subsidise production or the export of dairy products while many other nations also invoke tariffs to protect their local dairy industries. This means that for Australia to be competitive they must have very low cost of production (similar to NZ and some emerging dairy trading nations in South America). Changes in world dairy trade policies can have a dramatic and rapid effect on Australian dairy farmgate milk price with little opportunity for the farmer to adjust production accordingly in the short term, similar to the effect of sudden global changes above.

## Is the Australian dairy industry affected by foreign dairy trade into Australia? Explain.

Traditionally not. Australia is the second lowest cost of production exporter and was sufficiently competitive with NZ such that little product from there was imported into Australia. Also, during Australia's seasonal low production period NZ production is also at its lowest. During the major domestic supply deficit period around 2008-2009 (with accompanying price hike) there were plans to import NZ powdered milk and reconstitute it here. However more recently the strong value of the \$AU has meant NZ dairy product is now sometimes competitively priced. As a result the import of NZ manufactured milk product has increased. The potential exists for NZ milk products to capture substantial market share but this will depend upon factors such as exchange rates, world pricing and domestic supply (in both Aus and NZ).

"The Australian market is effectively open to imports of dairy products, with a long standing free trade agreement with New Zealand and free access for most major dairy products. Imported product contributed an estimated 25% of domestic cheese consumption and 22% of domestic butter consumption in 2010/11.

New Zealand is the major source of Australian dairy product imports – contributing 65% of total cheese imports and 91% of butter imports in 2011. The New Zealand share of cheese imports has fallen from 78% in 2009 to 65% in 2011; while the US share has lifted from 1% to 13% over the same period" – Dairy Situation and Outlook, 2012.

Although the above statement would appear to suggest significant dairy trade into Australia it should be noted that some is considered 'high value imported product' e.g. specialty cheeses and that overall, according to some industry commentators, has come at a cost. It has been reported that in an attempt to increase market share in Australia the main NZ dairy exporter has suffered significant financial losses. It remains to be seen at what level their presence can be maintained.

## What external global changes are likely to have the greatest impact upon Tocal dairy farm in the future?

- Increasing disposable income of SE Asia consumer.
- Trade liberalisation Doha Round Outcomes and beyond
- Competition for resources- fuel, fertiliser, grain
- Renewable energy policy (global as well as national)- as it affects demand for above three commodities
- Adoption of ETS or similar policy for agriculture
- Biosecurity 'clean' Australian product image must be retained
- Global warming- mostly indirectly. Tocal may be at competitive advantage due to projected changes and water supply from Lostock. However competition for resources overall, including water, could have dramatic negative effect.



# Egg production

Fast facts Property name:	Numeralla
Area	35 hectares
Number of sheds	5 (8,762m2)
Free range area	11 hectares
Capacity	90,000 hens
Breed	Isa Brown
Market	Free-range eggs under

Free-range eggs under contract to Pace Farms

The operation is audited firstly by Pace Farms, the NSW Food Authority and then Coles to ensure the Coles Gold Specification for Free Range Eggs is met.

For more images taken on the Tocal farms go to our Flickr page [https://www.flickr.com/photos/tocalcollege/] and open the 'Tocal farms' album

## Details

#### Size of the farm

The Numeralla part of Tocal is 86 hectares of which 15 hectares have been fenced as free range runs for a free range egg operation. The other 71 hectares is grazed by the dairy for heifer growout and joining.

#### Number of birds and eggs

Numeralla has five sheds with a total shed area of 8,762 m<sup>2</sup>. The sheds house up to 90,000 hens which are grown and their eggs harvested under contract to Pace Farms. Approximately 84,000 eggs per day are harvested with the aid of conveyors and an egg packer rated at 24,000 eggs per hour.

In 2016 the farm produced and average of 76,000 eggs a day: sheds 3, 4 and 5 produced close to 8.5 million eggs in a batch; while sheds 1, 2 produced just over 1.5 million eggs.

In 2017 sheds 3, 4 and 5 produced close to 15.2 million eggs in a batch; while sheds 1,2 have currently produced 7.3 million.

#### Market

All eggs are supplied to Pace Farms who work very closely with us to produce the enjoyable egg.

#### Age/size when sold/replaced

Hens are placed as day olds, raised at a 'feeder farm' near Vacy, with birds transferred to Numeralla at about 16 weeks of age. They are then cared for and trained to lay in nest houses, in between their daily foray into free range areas. After approximately 14 months, egg laying of these hens declines to the point where it is uneconomical to keep them. They are then harvested for their meat. Litter is removed, the suspended flooring system is dismantled and cleaned, the sheds are dry cleaned and disinfected ready for the next cycle. This is an extensive process that takes approx 5 weeks, with the inclusion of contractors and extra staff.

#### Supply of water

Water to Numeralla comes from a dam capturing runoff from approximately 100 ha of the Tocal property and surrounding farm lands. The paddock is strictly managed to meet the water quality requirements of Numeralla. The water from the dam is filtered through a series of sand filters and is then treated with chlorine and pumped to various holding tanks for distribution to particular sections of the farm.

#### Describe the storage and movement of eggs each day

Eggs are collected daily from each shed via a series of conveyer belts running through our nest box system to the outside of the shed where it meets a second conveyor that transports the egg to our packing facility. Once at the packing facility, eggs undergo a grading process where staff remove cracked and deformed eggs, oversized and double yolked eggs placing them in separate cartons, for egg pulp processing. The third category of eggs graded out are any dirty egg that is packed separately to be washed before further grading occurs. All of our eggs once packed are stored in a cool room until dispatch to a grading facility at Buchanan where a more intense grading process is undertaken before the egg hits the supermarket shelves. Eggs are transported out of Numeralla multiple times a week in refrigerated trucks.



In 2017, Tocal produced 22.5 million eggs.

#### Use of the farm for student training

In 2016 the introduction of a poultry component in the Certificate III in Agriculture course was developed and delivered with real success. All the staff at Numeralla are looking forward to having more involvement in the education of the students in the poultry industry in the years to come.

Numeralla is also used in the Environmental Sustainability unit delivered to Tocal students.

Students are also rostered to Numeralla to gain practical skills, performing skills such as maintaining healthy well birds; poultry growth rate assessments; disease recognition and sampling; handling 'cull' or dead birds.

#### The relationship we have with our suppliers

Numeralla has a contract with Pace Farms. The process begins with Pace supplying a rearing farm with day old chicks to be reared in a barn until 16 weeks, just before sexual maturity. The birds are transported by a live bird transport company to us where we train the birds to know the new surroundings and whereabouts of food and water. From here we range the birds. All of our processes are done in stages to minimise the stress on the birds.

Pace provides us with everything the birds need throughout the whole batch: feed, vaccinations, all food grade approved cleaning products, consumable cartons and packaging.

Numeralla provides adequate facilities to house the birds, and all other overheads attached to the running of the farm. The eggs laid are the property of Numeralla, and are then purchased back by Pace Farms.

In a nutshell birds are owned and provided for by Pace Farms and the farm and eggs are owned by Numeralla.



# **Stock horses**

## **Fast facts**

Working	20 Australian Stock Horses for working cattle
Breakers	20 for horse breeding student training
Broodmares	24 Australian Stock Horse mares for breeding replacements
Stallions	2 Australian Stock Horse
Foals	20
Yearlings	20

For more images taken on the Tocal farms go to our Flickr page [https://www.flickr.com/photos/tocalcollege/] and open the 'Tocal farms' album



Tocal stallion, Peelvale Maestro.

## Details

#### Size of the farm

Horses are run on approximately 300 hectares of the Beef section.

#### Herd size and composition

Australian Stock Horses are bred at Tocal for student training and stock work. Over twenty broodmares are joined each year to performance sires of the Australian Stock Horse breed to provide top quality stock for use in student training and on the farm. At any one stage Tocal will have over one hundred horses on the property from young foals, yearlings, breakers, work plant horses and broodmares.

#### Herd management

Foaling begins around August. The foals are weaned and handled at 5 months.

In 2016 Tocal College weaned 19 foals by College sires Peelvale Maestro and Boree Below Zero, and outside sires Palmers El Condo, Hard Hat Henry and Palmers Parable.

In 2017 Tocal College mares have been joined to College sires and well-performed outside stallions Acres Mercury , Doongara Powerade and Conductor.

#### What are horses used for on Tocal?

They are broken in and trained by students at 2 years. After basic training the horses are ready for more advanced training and work on the farm.

Horses are also prepared for shows (both led and ridden) as well as for sales by the students.

The horses have successfully competed at local Royal Agricultural Society shows as well as the Eastern Branch Stock horse show.

Each year the students from the Horse Breeding certificate compete in our Stock Horse Challenge where students demonstrate the results achieved with their young horses which they break-in in May and train throughout the year.

#### Market

On-site sales of Australian Stock Horses are held on the first Sunday in November each year.

#### Average price last year/animal?

In 2016 seventeen Tocal College stock horses sold for an average of \$7,850. This consisted of 15 ridden horses and two Broodmares with foals at foot. The sale gross was \$133,400. Tocal College was proud to have reached the record sale price average of over \$10,000 for the Tocal bred horses by our College sires *Peelvale Maestro* and *Boree Below Zero*. This was the first year that the College sires' progeny were offered for sale.

#### Supplementary feed

Oaten hay is provided along with pellets and mineral supplements, particularly to brood mares.



## Sheep

### **Fast facts**

Property name

roperty name	Borna vista
Purchased	1974
Area	113 hectares
Sheep:	300 Dohne Ewes
Wool Production	Over 1 tonne per year
Prime lambs/year	80 - 150

**Bona** Vista

Tocal established a self-replacing Dohne flock in 2008. These sheep gradually replaced a 1st cross breeding enterprise that had been run for a long period of time. The new Dohnes were run side by side for comparison for 5 years until we were able to breed up to a sustainable number of Dohne breeders. The Dohne sheep are equal to the 1<sup>st</sup> X lambing percentages, management costs and ewes dollar for dollar returns on sales. The breeding of ewe lambs is where the Dohnes have excelled, saving Tocal \$20,000 to \$25,000 every 6 years for replacement 1<sup>st</sup> X ewes.

The Tocal flock is guarded by a Maremma dog named Dunedoo. The first Maremma, Marshall, was introduced to the flock in 1997 following several dog attacks during lambing. Feral dog control is a key management area that is focussed on to eliminate losses of lambs and other young stock.

Over the past seven years Tocal has been in a flock-building period, keeping the bulk of ewe lambs on as breeders. In 2015 we have moved into a consolidation culling program. Using Stockbook data, ewes are culled on fleece weight, micron, fleece visual traits, lambing, lamb survival and conformation.

In the future we will keep our flock at 200 ewe breeders and 100 ewe hoggets and 25 wethers for student farm butchery training.

For more images taken on the Tocal farms go to our Flickr page [https://www.flickr.com/photos/tocalcollege/] and open the 'Tocal farms' album

## Details

#### Size of the farm

Sheep are run on part of the 100ha farm known as Bona Vista. The flock at Tocal is managed along commercial lines although its size and the humid climate in this area is not ideal for profitable sheep production. The flock is grazed on both introduced and native pastures with some areas also irrigated.

#### Herd size and composition

The flock of 200 breeding ewes is run for both meat and wool.

#### Age/size when sold

Lambs are sold from 16 weeks of age.

#### Markets

About 150 lambs are sold as stores for later meat production, 100 ewes culled for age and type as well as 1,400kg of wool is produced each year.

Our annual shearing and wool classing is carried out by students. A wool classing course is run each year in our shearing shed by NSW TAFE.

#### Average price last year /kg /animal?

Over 2016 the sheep enterprise continued much as the previous year with good prices for sheep and lambs and the woolclip also meeting strong demand.

Sales of:

- 124 cull ewes for \$11,523;
- 80 lambs selling for \$5,600; and
- 10 bales of wool sold for \$13,364,
- giving a total income of \$30,487; overall a big improvement compared with 2015.

#### Supplementary feed

Silage grown on Tocal plus 20 bales (250kg each) were provided in 2016 during mating and lambing.

#### Where do you sell Tocal lambs?

Lambs are sold through the Dubbo sale yards and Scone.

#### Describe the technology involved with the following

#### Pasture/ supplementary feed

Improved pasture is sown in two paddocks each year and supplementary feed is provided as needed.

#### Breeding

Stockbook data is recorded and ewes are selected for lambing, work and muscle performance.

#### Herd management

Rotational grazing principles employed as well as worm testing and vaccination for barbers pole worms and six-in-one for pulpy kidney, Black disease, Blackleg, Malignant oedema, tetanus and cheesy gland.

#### Describe the day to day management of the sheep farm

The sheep and wool enterprise remains one of the big contributors to student training at Tocal College with student participation in drenching, vaccination, animal handling skills, crutching and shearing. The sheep and lambs provide a safe opportunity for novice students to learn valuable practical skills.

#### What challenges do you face farming sheep on Tocal?

Tocal has a number of challenges to contend with including high rainfall, high humidity, low quality pasture, internal parasites, dingos and wild dogs. With well breed sheep persistent management we are able to keep the challenges under control.

The two major challenges for our sheep enterprise continue to be Barbers Pole worm and wild dogs. Constant monitoring, worm testing and drench choice has kept the worms under control. The Maremma guard dog, Dunedoo, has been a reliable guard over our sheep and is certainly our best strategy for keeping the flock safe from predators. (See photo page 64)

As with all enterprises weather can have significant impacts on sheep and wool production. Extreme weather conditions, dry autumn and tight feed availability during May to August 2015 resulted in lower than expected lambing percentages. During this time there was also a significant flood event, however there were no sheep losses in the flood and 100% of lambs marked made it to weaning as normal.

#### Wild dogs

Tocal is a large 2200 ha farm with large amounts of scrub and is bordered by hilly scrub, absentee farmers and a small town. This is the perfect environment for dingos, wild dogs and town dogs to attack domestic livestock in the area. Tocal runs a program of shooting, baiting and employing a sheep protection dog. Since the drought in 2000 close to 200 dogs have been shot, trapped or poisoned on bait stations.

#### **Internal Parasites**

Due to its location and high rainfall Tocal is the perfect environment for Barbers Pole worms (Haemonchus). As with most farms we have drench resistant strains of worms and we rotationally graze to minimise the reinfection of the sheep in the paddocks they are grazing. To manage the timing of drenching we use the Dipstick Test kit from Merial to monitor the amount of Barbers pole worms being carried by the sheep. With the advent of Barbervax Barbers pole vaccine our lambs have improved in weight gain from weaning to 12 months of age and carry a low burden of worms.



The Tocal sheep flooded in at Bona Vista.

#### Rainfall

One of the greatest challenges to running sheep at Tocal is the high rainfall averages. Tocal receives an average of 950 mm of rain each year. Together with high temperatures and high humidity, any sheep run at Tocal have to be of high quality.

With high rainfall comes flooding and the sheep area can be inundated up 3 times a year. Of the 50 ha area available for the Tocal sheep flock, 10 ha is high enough to never be flooded. During flooding and lambing the sheep are supplemented with home grown pasture silage.

#### Establishment of the Dohne flock

Traditionally Tocal has run 200 1<sup>st</sup> X ewes joined to Dorset rams and 100 merino wether wool cutters. These enterprises were highly productive but had low to medium educational value. Replacement ewes were replaced 200 at a time and all progeny sold or slaughtered for student training in farm butchery.

As part of the Tocal sheep training program, students visit top sheep enterprises around the north of NSW covering fine and superfine wool, SRS, wool testing, meat breeds, shedding sheep, Fletcher International sheep processors, enterprise ewe and ram selection and management.

On our tours we visited a number of Dohne enterprises and we were impressed with the dual purpose improvement and production gains being achieved in a short time.

Wishing to continually improve our education experiences for our students we explored starting a self-replacing sheep flock. With production goals of high fertility, high meat and wool production we were drawn to the Dohne Breed.

With encouragement and support from Graham Coddington (Roseville Park Dohnes) Tocal purchased 50 in lamb maiden ewes in 2008. The ewes and a ram were selected by the students with guidance from Graham, the first of many new positive educational outcomes. The next year the students selected 50 cast for age 5 and 6 year old ewes and two rams. The 100 Dohne ewes were then run with and compared to the remaining 100 XB ewes under the same conditions.



Tocal's first 50 in lamb Roseville Park Dohne maidens.

Dohne wether lambs and mixed sex prime lambs were sold for the same price over the hooks at a local meat works at 22kg dead. Cast ewes were sold at Tamworth and received the same returns for Dohne and XBs.

Lambing percentages were equivalent, however in 2015 lambing percentages were down due to running higher numbers and harsh weather conditions.

In money terms the per head returns were equal between Dohne and XBs over the five year comparison.

In real terms the Dohnes were way ahead as a price was not put on the value of the self-replacing Dohne ewe lambs retained each year. (100 at \$100/head \$10,000) Being able to retain the ewe lambs saves Tocal \$20,000 to \$25,000 every 5 or 6 years as we do not need to purchase replacement  $1^{st}$  X ewes any more.



Dohne and 1<sup>st</sup> X ewes running together for comparison.



Tocal certificate IV students weighing and recording Dohne fleeces.



Muscle scanning Dohne rams.

#### **Wool statistics**

2011 Fleece 19.9 mic	Cut 5.1 kg av	Clean 1472 c/kg
2012 Fleece 19.9 mic	Cut 4.2 kg av	Clean 1061 c/kg
2013 Fleece 19.3 mic	Cut 3.8 kg av	Clean 1260 c/kg
2014 Fleece 19.4 mic	Cut 4.2 kg av	Clean 1231 c/kg
2015 Fleece 19.5 mic	Cut 4.6 kg av	Clean 1342 c/kg
2016 Fleece 19.3 mic	Cut 4.3 kg av	Clean 1492 c/kg

December 2016 sale store ewes sold for \$100 average

Wether Lambs \$80 average

January 2015 wether weaners 2 months after sale for \$75 ea

#### **Lambing Statistics**

ХВ	120%
Dohne	95%
ХВ	135%
Dohne	115%
ХВ	123%
Dohne	123%
ХВ	107%
Dohne	117%
ХВ	120%
Dohne	120%
Dohne Ewe	127%
Dohne Maiden	112%
Dohne Ewe	110%
Dohne Maiden	94%
Dohne Ewe	102%
Dohne Maiden	77%
Dohne Ewe	123.5%
Dohne Maiden	93%
	XB Dohne XB Dohne XB Dohne XB Dohne XB Dohne XB Dohne Dohne Ewe Dohne Maiden Dohne Ewe Dohne Maiden Dohne Ewe



Crop inspection.

#### Student input to farms

Students are involved with Tocal farms at all stages of the management cycle. Certificate III students muster, draught, drench, vaccinate, milk and handle livestock as well as sowing pasture for stock as needed within the farm enterprises. Certificate IV are involved in feed lotting, breeding, crop establishment, sheep and cattle management activities.

Tocal students graduate as agriculturalists that have experienced work practices on the College farms, commercial work placement farms and prepares them to move forward into their working lives.

Across all the enterprises run at Tocal for the education of future agriculturalists is the overarching principle of experience. Experience through hands-on real time education and background knowledge gained in the classroom. A typical Tocal student will spend 50% of the course in the field.

All Certificate III students study the sheep industry and learning basic hands-on skills through lamb marking, drenching, vaccinating selection and culling for sale and general handling of sheep. Over half of the returning Certificate IV students study sheep management and breeding as an elective. Students are involved in shearing and crutching, wool classing, ram and ewe selection, joining observations, lambing and mothering activities.

The move on the sheep section to a self-replacing flock expanded opportunities for students to select replacement ewes, select and purchase rams, shearing and crutching, wool classing, sheep store sales, electronic tagging and information recording, joining and lambing management.

The Certificate IV sheep electives are very popular due to the experiences and responsibilities the students leave with a sense of pride and accomplishment that come with working with the Tocal's Dohne flock.

## Contributors

The help and advice of these people were instrumental in the production of this book.

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