Australian supply brief

MLA and AWI sheepmeat and wool survey June 2011 results

Robert Barker – August 2011
rbarker@mla.com.au
02 9463 9322

Sheepmeat and wool survey methodology

The Meat & Livestock Australia (MLA) and Australian Wool Innovation (AWI) sheepmeat and wool survey June 2011 was part of an updated set of producer surveys that began in June 2010 to gauge short term trends and movements in the national sheep flock and lamb supply. The survey was comprised of a mail-out component and an online component, and received responses from 2,010 producers across Australia.

The mail-out component was focussed on the composition of the breeding ewe flock and lambs on hand in June 2011. A question regarding wool production for the 2011-12 financial year was included, in collaboration with Australian Wool Innovation. The online component was an extended version of the survey, including a question on lambs marked, and qualitative questions regarding current seasonal conditions, flock intentions for 2012 and flock changes during the 2010-11 financial year.

Comparisons to surveys prior to October 2010 should be treated with some caution due to the recent expansion of the survey to include producers in Merino dominated pastoral areas.

Executive summary

The Australian sheep flock has benefited greatly from the breaking of the decade-long drought in 2010, with producer intentions to increase the size of their flocks being realised in 2011. At the same time, the majority of producers have managed their businesses well to achieve greater returns for lamb production in the last two years, relative to the years immediately preceding them.

The rebuilding intentions seen this time last year are, for the most part, still common among sheep producers. Although with recent growth in flocks, more producers appear to be nearing their optimal stocking rates.

The composition of the national flock, which over the past decade shifted more towards sheep for meat, has moved slightly back towards a focus on wool production in the past year, with a growth in the influence of Merinos. The high prices seen for wool in the past year have been a key influence on this, along with general confidence in the future of the sheep industry.

Key findings from the survey

Respondent summary

- A total of 2,010 producers responded to the most recent survey. 803 completed the survey online, with the remainder completing the mail-out survey.
- Of the respondents, 446 were pure Merino producers, with the remaining 1,564 running mixed enterprises, or other breeds.
- There were 594 responses from NSW (263 online), 513 from Victoria (172 online), 489 from SA (165 online), 267 from WA (136 online), 98 from Queensland (54 online) and 49 from Tasmania (13 online – interpret results with caution).

Seasonal conditions as at June 2011

Figures 1-3, Tables 1-2

- Nationally, 44% of respondents indicated current seasonal conditions were ‘above average’. 21% of respondents reported conditions as ‘below average’, ‘drought’, or ‘too wet’. The remaining 34% reported ‘average’ conditions.
- Compared to the same time last year, 56% of respondents reported ‘better’ conditions, 26% said they were ‘the same’, and 19% had ‘worse’ conditions.
- The majority of respondents from SA (55%), Victoria and Queensland (both 52%) reported ‘above average’ seasonal conditions. In WA, 48% responded with ‘below average’ conditions, and an additional 16% with ‘drought’ – a marked improvement from February.
- Reflecting the recent rain across parts of southern WA, 38% of respondents said conditions were ‘better than last year’ with another 38% reporting ‘the same as last year’. In the eastern states, the majority of respondents reported ‘better’ conditions than last year, although there was also a greater proportion of respondents indicating ‘worse’ conditions than last year.

Breeding ewes on hand (30 June 2011)

Figures 4-10

- The breeding ewe population on hand at 30 June 2011 was estimated at 40.0 million head. Straight bred Merino to Merino production was the dominant mating, at 54% of the total.
- The next largest segment was Merino ewes to be crossed with other sires - accounting for 22% of the breeding ewe population. First cross ewes, mainly Merino X Border Leicesters, made up 13% of the ewe population.
- The number of Dorper ewes (including White Dorpers and crosses) on hand reflected the increasing popularity of the breed, accounting for 3% of breeding ewes on hand. Dohne and SAMM varieties accounted for 2% and 1% of the national flock, respectively. Other breeds, some of which may include crosses of those mentioned previously, made up smaller proportions, but when combined, accounted for the remaining 7% of the breeding ewe flock.

Lambs on hand (30 June 2011)

Figures 11, 13-20

- Australia’s lamb population on hand at 30 June 2011 was estimated at 26.0 million head, of which 58% were pure Merino lambs (the same proportion as at February).
- NSW had the largest Merino lamb population, with 30% of the total, followed by WA (26%), SA (19%) and Victoria (12%).
- First cross lambs accounted for the second largest group of lambs, with 20% of the population. The most popular sires were White Suffolk (mainly NSW, SA and Victoria), Border Leicester (mainly NSW and Victoria), and Poll Dorset (NSW, WA, Victoria and SA).

- Various pure meat breed lambs made up 12% of the lamb population. This was made up primarily of first cross ewes joined to Poll Dorset and White Suffolk rams, with most of these found in NSW and Victoria.
- Shedding or cleanskin breeds accounted for 5% of the lamb population on hand, with Dorper varieties the most common in NSW and Queensland, and mainly Dorpers and Damaras in WA.

Expected lamb sales (July - October 2011)

Figures 12-20

- Producers expected to sell 7.8 million lambs in the four months from July to September 2011. First cross lambs made up 38% of this total, with White Suffolk, Border Leicester and Poll Dorset sired lambs the most popular, reflecting the lambs on hand.
- The second largest category was Merino lambs, expected to make up 24% of total lamb sales. These were expected to come mainly from NSW, followed by SA and WA.
- Pure meat breed lambs were also expected to make up 24% of lamb sales, with the majority being lambs born to first cross ewes and Poll Dorset or White Suffolk rams, mostly in NSW and Victoria.
- Shedding or cleanskin lambs were expected to make up 8% of sales from July to September, mainly Dorpers in NSW and Queensland, and Dorpers and Damaras in WA.

Lamb markings (March - June 2011) - online

Figures 21-30

- Between March and June 2011, producers were estimated to have marked 6.8 million lambs from 7.5 million ewes joined across Australia, to give an overall marking rate of 92% - an improvement compared with previous years. The highest marking rates were recorded in SA (101%), Victoria (99%) and Queensland (96%). NSW recorded 89% marking rates, and WA 79%. No respondents from Tasmania recorded lambs marked between March and June (from a very small sample of 13)
- There were 3.3 million pure Merino lambs marked from 3.9 million ewes joined, for a national marking rate of 85%. There were quite large fluctuations in Merino lamb marking rates, from 100% in SA, down to 59% in Queensland.
- There were 3.5 million other lambs marked from 3.6 million ewes joined, for a national marking rate of 99%. Queensland had the highest marking rate, at 128%, followed by Victoria (106%) and SA (100%). WA recorded the lowest marking rate for lambs other than Merinos, at 87%.
- The majority of lambs marked in this period were from ewes joined between 2-6 years of age (75% of Merino ewes and 78% of other ewes).
- Merino ewes tended to be joined younger than other breeds across the country, with around 21% of Merino ewes joined at less than 2 years of age, compared with 12% of other ewes.
- Conversely, around 4% of Merino ewes were joined over 6 years of age, compared with 10% of other ewes.

Ewe flock intentions for 2012 - online

Table 3, Figures 31-38

- Nationally, 42% of respondents intended to increase the size of their ewe flock in 2012. Additionally, 49% of respondents intended to maintain their ewe flock, with only 6% intending to decrease in size.
- The largest difference between those intending to increase and decrease the flock was in NSW, followed by Queensland, Tasmania (although, note the small sample size) and Victoria.
- WA was again the state with the smallest proportion of producers intending to increase their ewe flocks - a product of the prolonged drought. Against this, the proportion intending to decrease their flocks has declined relative to previous surveys following welcome rain through winter.
- Those producers intending to increase their ewe flocks were asked a follow-up question as to which methods they intended to use. Retaining more replacement ewes was the most popular method, followed by retaining older ewes. Purchasing additional ewes was less popular, which is understandable, given the high prices at which sheep have been trading during 2011.

Wether flock intentions for 2012 - online

Table 4, Figure 39

- Just under half (47%) of the total respondents indicated that wether flock intentions did not apply to them. Another 30% indicated they intended to maintain their wether flock size in 2011, and 15% intended to increase. The extended period of high wool prices, commencing in 2010, appears to be starting to reflect positively on this sector of the sheep industry.

Slaughter lamb turnoff intentions for 2012 - online

Table 5, Figure 40

- Nationally, 33% of respondents intended to increase their slaughter lamb turnoff in 2012, 44% intended to maintain the number of slaughter lambs turned off, and 9% intended to decrease slaughter lamb turnoff. 14% of respondents indicated this was not applicable to them.
- The difference between the number of respondents intending to increase their slaughter lamb turnoff in 2012 and those intending to decrease turnoff was large in all states, except WA. The largest net increase was in Queensland, followed by NSW and Tasmania.

Lambs retained for breeding or replacement in 2010-11 - online

Figure 41

- A total of 13.8 million lambs were retained for breeding or replacement in the 2010-11 financial year; including 11.7 million Merino lambs and 2.1 million other lambs. This was a substantial increase on the 12.1 million lambs reported in the previous year, reflecting the better season and rebuilding intentions across much of Australia.

Sheep culled or cast-for-age in 2010-11 – online

Figure 42

- Nationally, 7.7 million sheep were culled or cast-for-age in 2010-11, of which 5.4 million were ewes (at an average age of 5.4 years) and 2.3 million were wethers (at an average age of 3.1 years).

Net returns for lamb production in 2010-11 – online

Figure 43

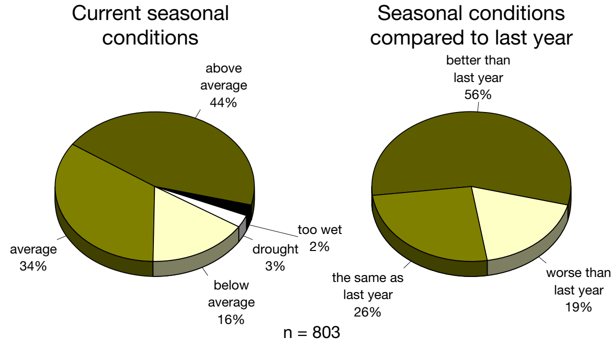
- The majority of respondents (67%) indicated an improvement in net returns for lamb production in 2010-11 compared with 2009-10. Around 8% of respondents recorded a decline, while 11% were steady and 14% did not indicate one way or another.

Seasonal conditions questions

1. How would you rate the current seasonal conditions in your area? and
2. Compared with this time last year, are current conditions…

Figure 1

Seasonal conditions: Australia



Source: MLA & AWI sheepmeat and wool survey June 2011

Table 1

Seasonal conditions as at June 2011: State

State	above average	average	below average	drought	too wet
NSW (n=263)	46%	36%	15%	1%	1%
Vic (n=172)	52%	31%	10%	0%	7%
SA (n=165)	55%	39%	6%	1%	0%
WA (n=136)	10%	26%	48%	16%	0%
Tas (n=13)	50%	29%	8%	0%	13%
Qld (n=54)	52%	41%	6%	0%	1%
National (n=803)	44%	34%	16%	3%	2%

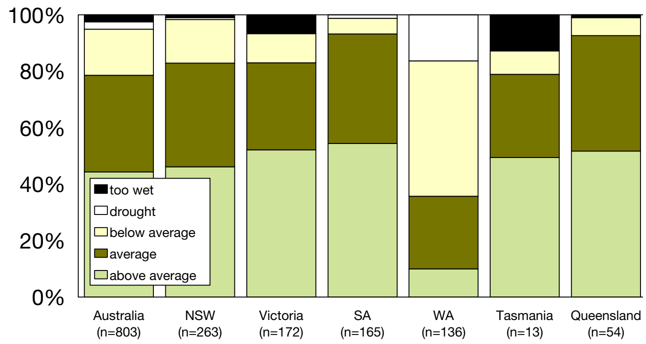
Table 2

Seasonal conditions as at June 2011: State

State	Better than last year	The same as last year	Worse than last year
NSW (n=263)	59%	21%	19%
Vic (n=172)	61%	22%	18%
SA (n=165)	54%	29%	17%
WA (n=136)	37%	38%	25%
Tas (n=13)	62%	36%	2%
Qld (n=54)	60%	20%	20%
National (n=803)	56%	26%	19%

Figure 2

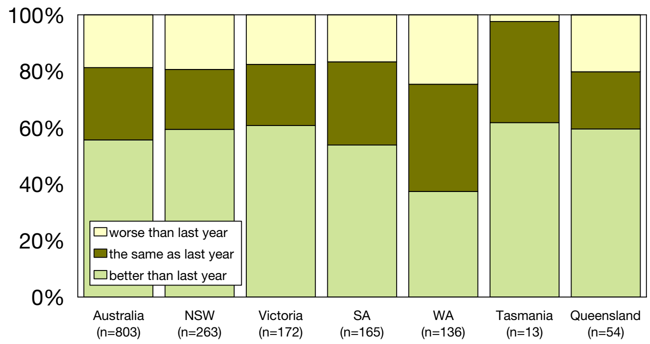
Seasonal conditions as at June 2011



Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 3

Seasonal conditions as at June 2011

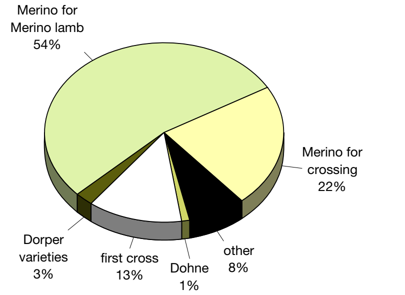


Source: MLA & AWI sheepmeat and wool survey June 2011

Composition of flock questions

1. Breeding ewes – on hand at 30 June 2011

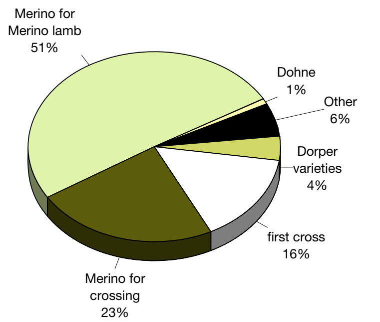
Figure 4
Breeding ewe population: Australia



n = 2,010 weighted ewe population = 40.0 million

Source: MLA & AWI sheepmeat and wool survey June 2011

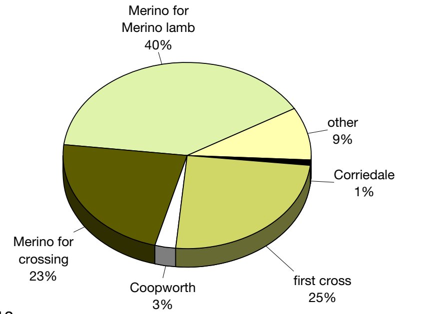
Figure 5
Breeding ewe population: NSW



n = 594 weighted ewe population = 13.5 million

Source: MLA & AWI sheepmeat and wool survey June 2011

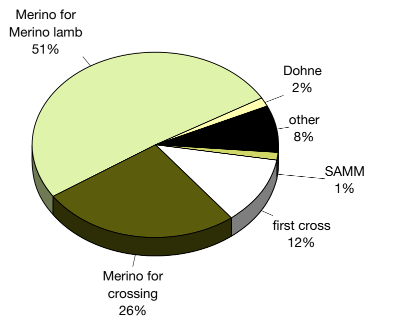
Figure 6
Breeding ewe population: Victoria



n = 513 weighted ewe population = 7.1 million

Source: MLA & AWI sheepmeat and wool survey June 2011

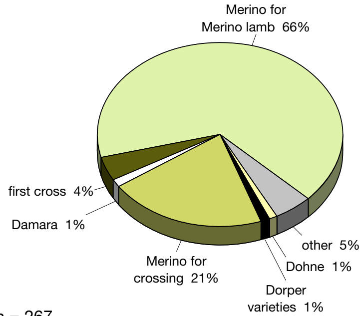
Figure 7
Breeding ewe population: SA



n = 489 weighted ewe population = 6.9 million

Source: MLA & AWI sheepmeat and wool survey June 2011

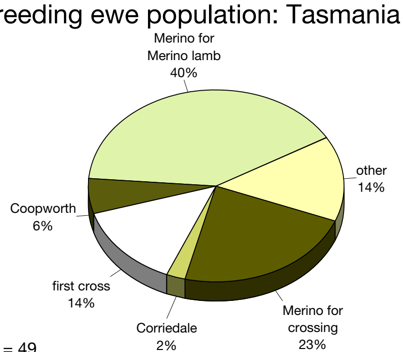
Figure 8
Breeding ewe population: WA



n = 267 weighted ewe population = 8.7 million

Source: MLA & AWI sheepmeat and wool survey June 2011

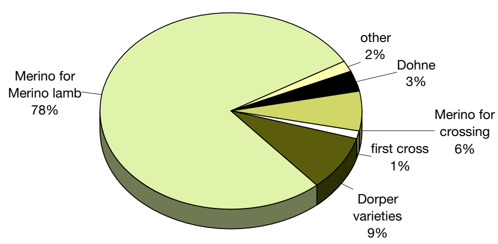
Figure 9
Breeding ewe population: Tasmania



n = 49 weighted ewe population = 1.1 million

Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 10
Breeding ewe population: Queensland



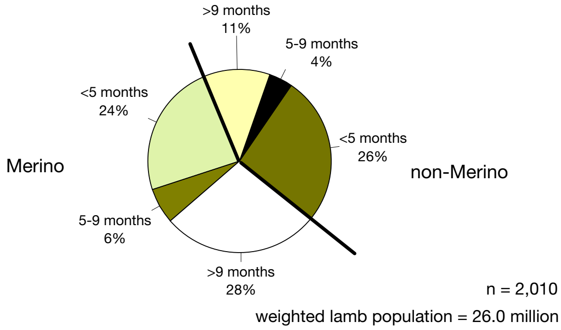
n = 98 weighted ewe population = 2.7 million

Source: MLA & AWI sheepmeat and wool survey June 2011

2. Lamb counts – on hand at 30 June 2011; and
3. Expected lamb sales – July to October 2011

Figure 11

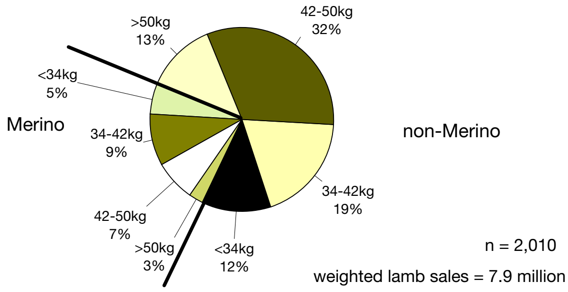
Lambs on hand at 30 June 2011: Australia



Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 12

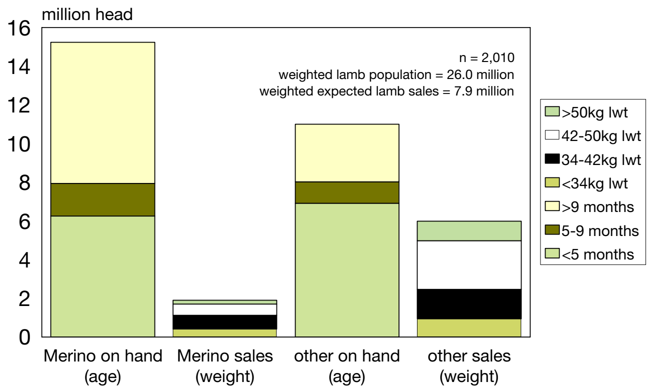
Expected lamb sales July - October 2011: Australia



Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 13

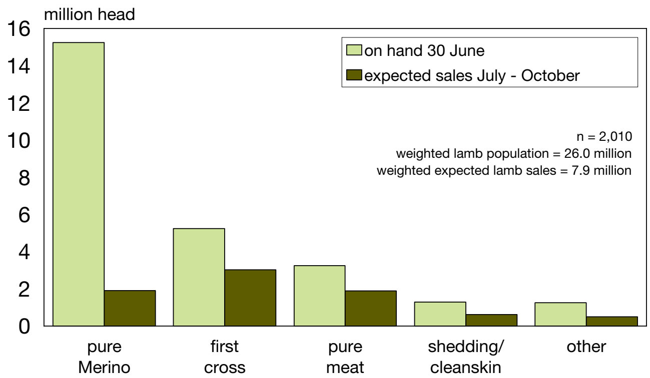
Lambs on hand and expected sales: Australia



Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 14

Lambs on hand and expected sales: Australia



Source: MLA & AWI sheepmeat and wool survey June 2011

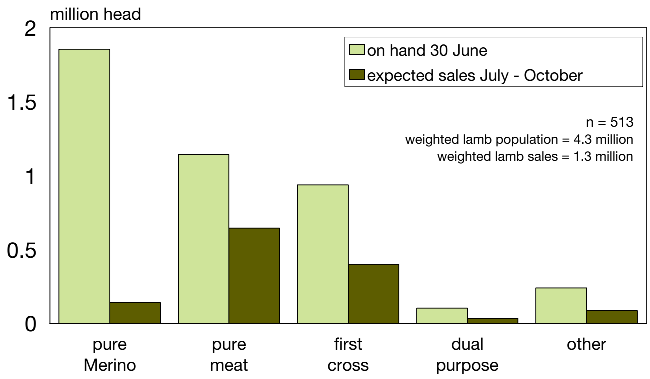
Figure 15

Lambs on hand and expected sales: NSW

Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 16

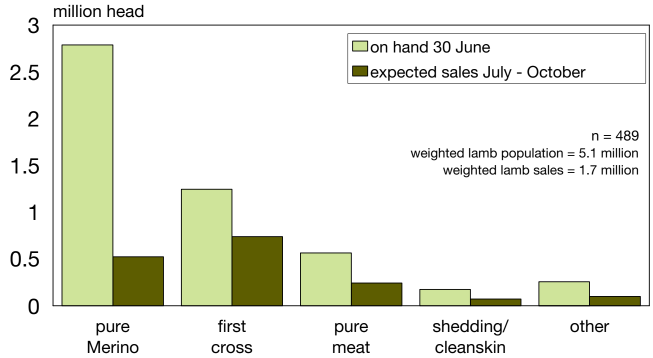
Lambs on hand and expected sales: Victoria



Source: MLA & AWI sheepmeat and wool survey June 2011

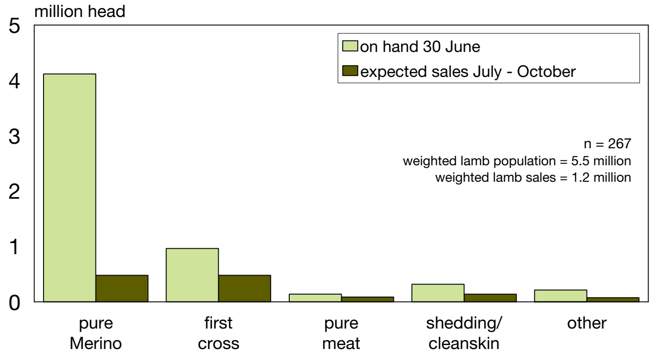
2. Lamb counts – on hand at 30 June 2011; and
3. Expected lamb sales – July to October 2011 – continued...

Figure 17
Lambs on hand and expected sales: SA



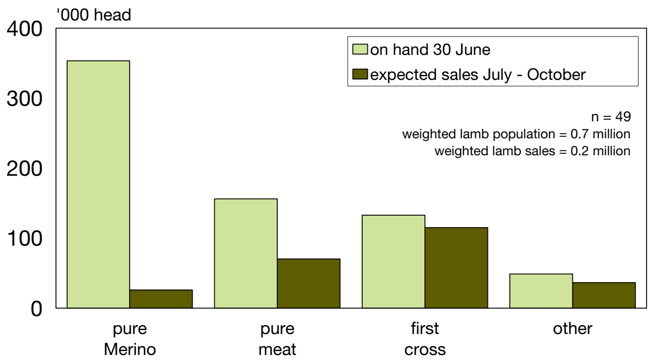
Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 18
Lambs on hand and expected sales: WA



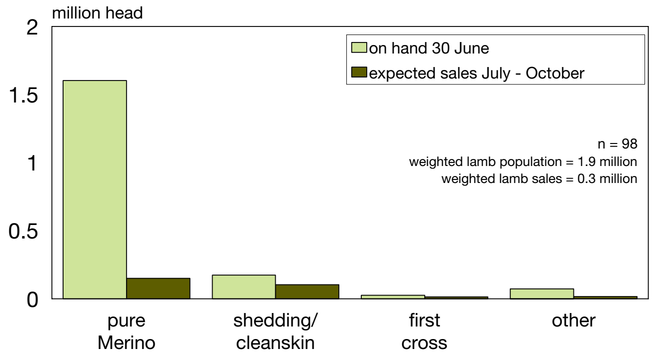
Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 19
Lambs on hand and expected sales: Tasmania



Source: MLA & AWI sheepmeat and wool survey June 2011

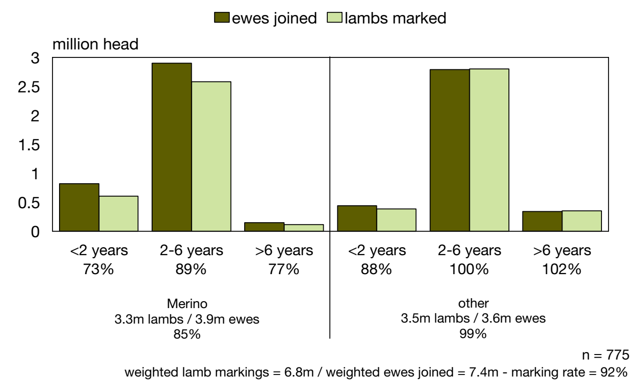
Figure 20
Lambs on hand and expected sales: Queensland



Source: MLA & AWI sheepmeat and wool survey June 2011

4. Ewes joined and lambs marked – March to June 2011

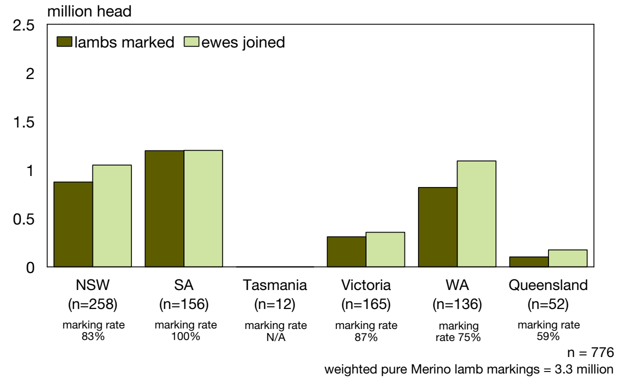
Figure 21
Lambs marked March - June 2011
and ewes joined to produce these lambs: Australia



Source: MLA & AWI sheepmeat and wool survey June 2011

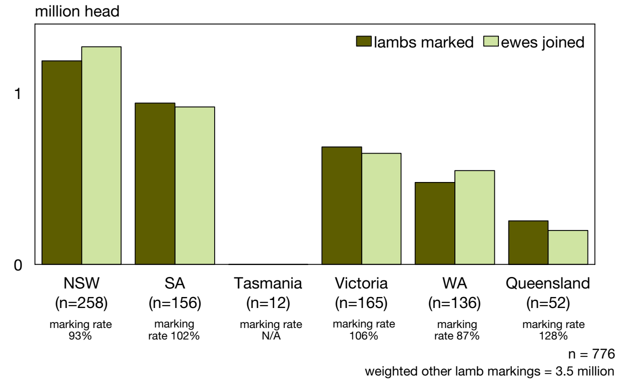
4. Ewes joined and lambs marked – March to June 2011 – continued...

Figure 22
Pure Merino lambs marked March - June 2011 and ewes joined to produce these lambs



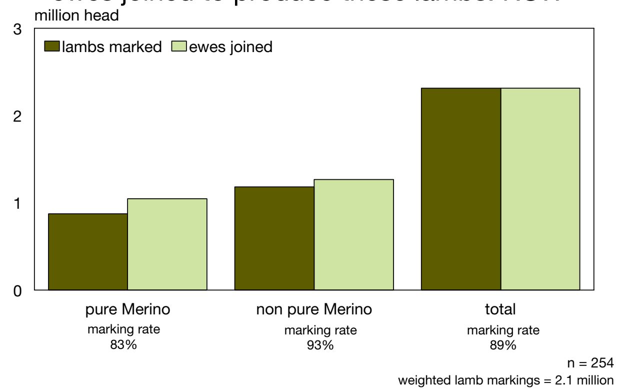
Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 23
Other lambs marked March - June 2011 and ewes joined to produce these lambs



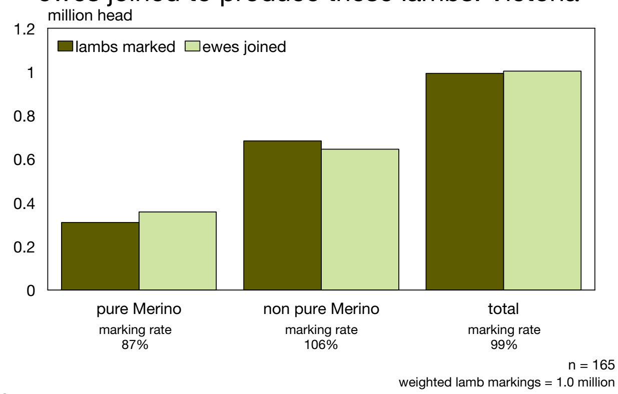
Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 24
Lambs marked March - June 2011 and ewes joined to produce these lambs: NSW



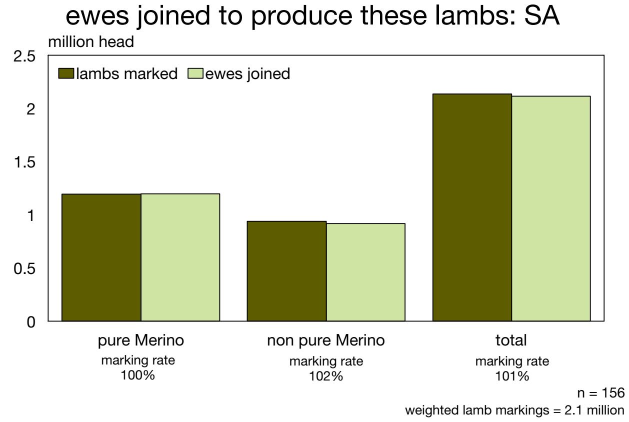
Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 25
Lambs marked March - June 2011 and ewes joined to produce these lambs: Victoria



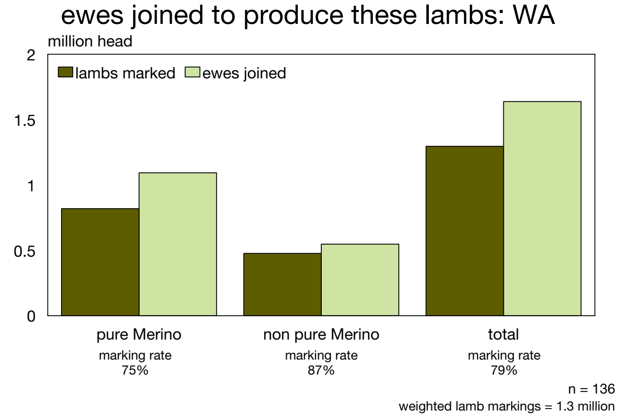
Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 26
Lambs marked March - June 2011 and ewes joined to produce these lambs: SA



Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 27
Lambs marked March - June 2011 and ewes joined to produce these lambs: WA

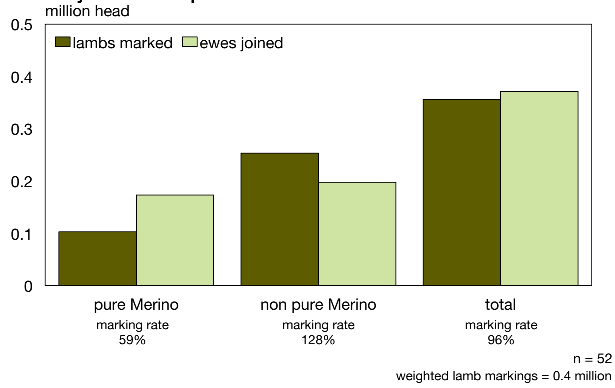


Source: MLA & AWI sheepmeat and wool survey June 2011

4. Ewes joined and lambs marked – March to June 2011 – continued...

Figure 28

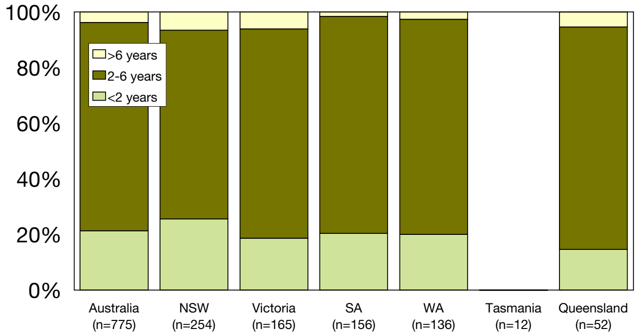
Lambs marked March - June 2011 and ewes joined to produce these lambs: Queensland



Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 29

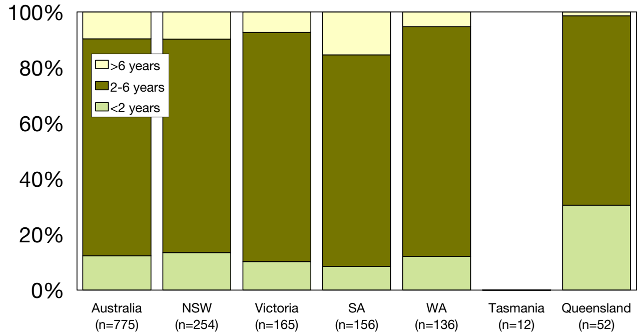
Age of Merino ewes joined for markings March-June



Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 30

Age of other ewes joined for markings March-June



Source: MLA & AWI sheepmeat and wool survey June 2011

Flock intention questions

1a. Do you intend to increase, maintain or decrease the size of your breeding ewe flock in 2012?

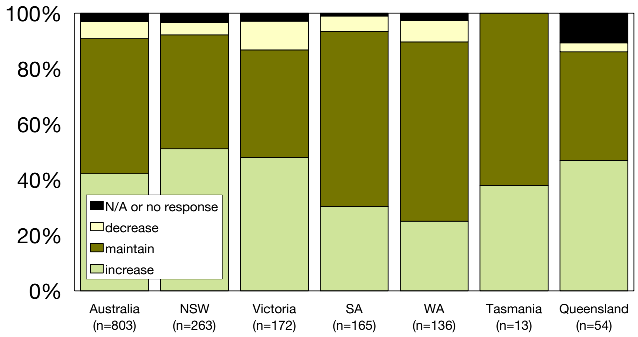
Table 3

Intentions to increase, decrease or maintain ewe flock size in 2012: state

State	Increase ewe flock size	Maintain ewe flock size	Decrease ewe flock size	N/A or no response
NSW (n=263)	51%	41%	4%	4%
Vic (n=172)	48%	39%	10%	3%
SA (n=165)	30%	63%	6%	1%
WA (n=136)	25%	65%	8%	3%
Tas (n=13)	38%	62%	0%	0%
Qld (n=54)	47%	39%	3%	11%
National (n=803)	42%	49%	6%	3%

Figure 31

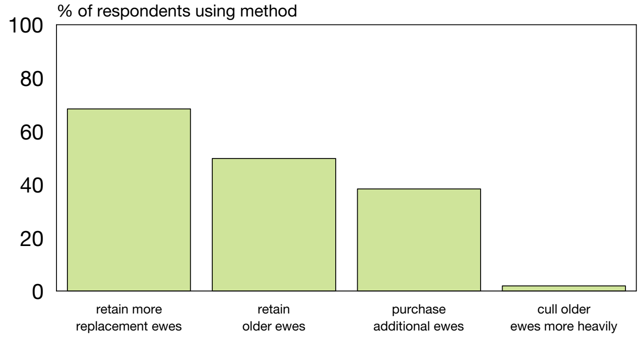
Ewe flock size intentions for 2012



Source: MLA & AWI sheepmeat and wool survey June 2011

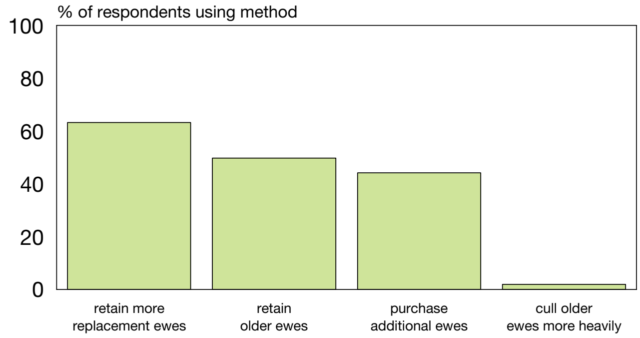
1b. How do you intend to increase your breeding ewe flock in 2012?

Figure 32
How will increase be achieved - Australia



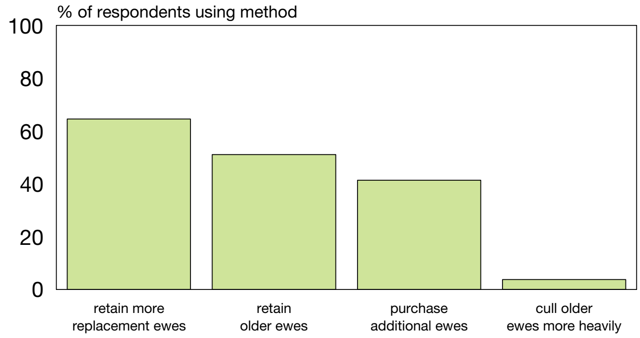
Source: MLA & AWI sheepmeat and wool survey June 2011 n = 338

Figure 33
How will increase be achieved - NSW



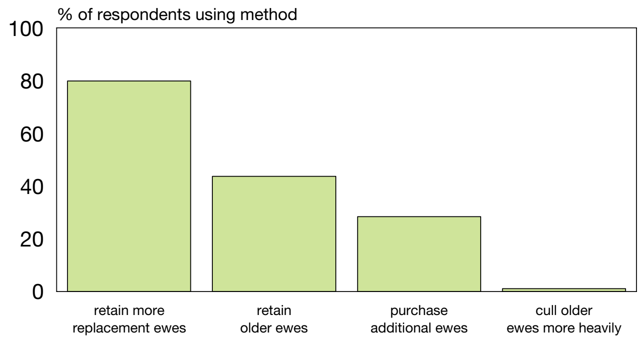
Source: MLA & AWI sheepmeat and wool survey June 2011 n = 129

Figure 34
How will increase be achieved - Victoria



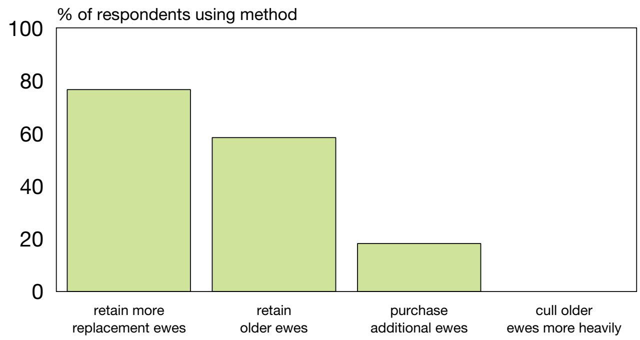
Source: MLA & AWI sheepmeat and wool survey June 2011 n = 87

Figure 35
How will increase be achieved - SA



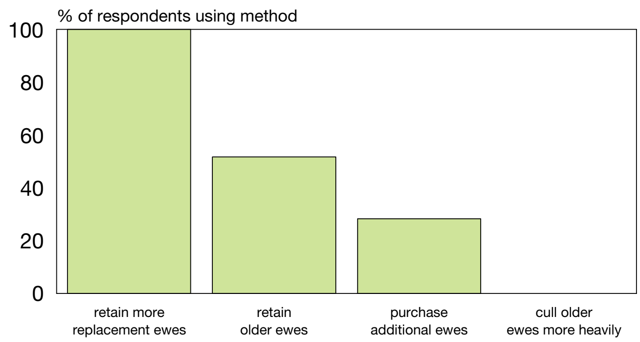
Source: MLA & AWI sheepmeat and wool survey June 2011 n = 55

Figure 36
How will increase be achieved - WA



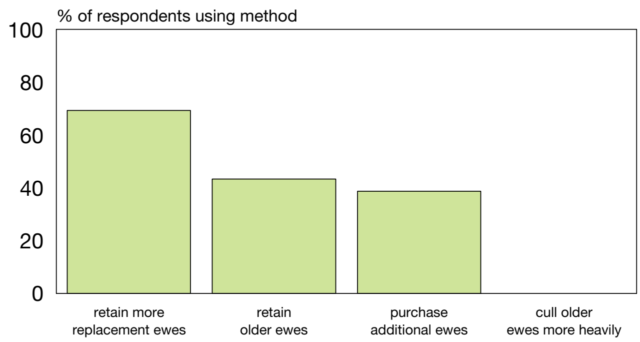
Source: MLA & AWI sheepmeat and wool survey June 2011 n = 33

Figure 37
How will increase be achieved - Tasmania



Source: MLA & AWI sheepmeat and wool survey June 2011 n = 7

Figure 38
How will increase be achieved - Queensland



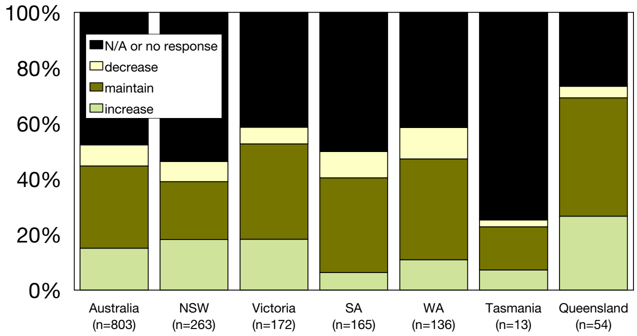
Source: MLA & AWI sheepmeat and wool survey June 2011 n = 27

2. Do you intend to increase, maintain or decrease the size of your wether flock in 2012?

Table 4
Intentions to increase, decrease or maintain wether flock size in 2012: state

State	Increase wether flock size	Maintain wether flock size	Decrease wether flock size	N/A or no response
NSW (n=263)	18%	21%	7%	54%
Vic (n=172)	18%	34%	6%	41%
SA (n=165)	6%	34%	9%	50%
WA (n=136)	11%	36%	11%	42%
Tas (n=13)	7%	16%	2%	75%
Qld (n=54)	27%	43%	4%	27%
National (n=803)	15%	30%	8%	48%

Figure 39
Wether flock size intentions for 2012



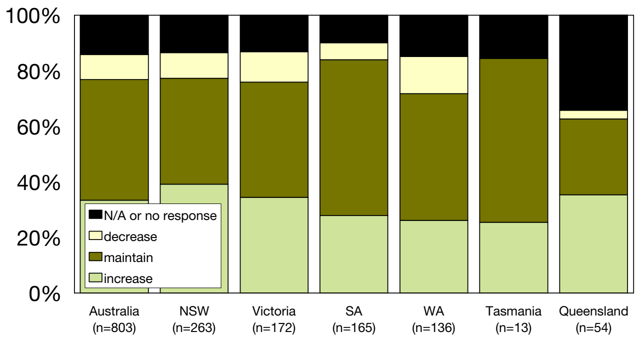
Source: MLA & AWI sheepmeat and wool survey June 2011

3. Do you intend to increase, maintain or decrease slaughter lamb turnoff in 2012?

Table 5
Slaughter lamb turnoff intentions: state

State	Increase	Maintain	Decrease	N/A or no response
NSW (n=263)	39%	38%	9%	13%
Vic (n=172)	34%	42%	11%	13%
SA (n=165)	28%	56%	6%	10%
WA (n=136)	26%	46%	13%	15%
Tas (n=13)	26%	59%	0%	16%
Qld (n=54)	35%	27%	3%	34%
National (n=803)	34%	43%	9%	14%

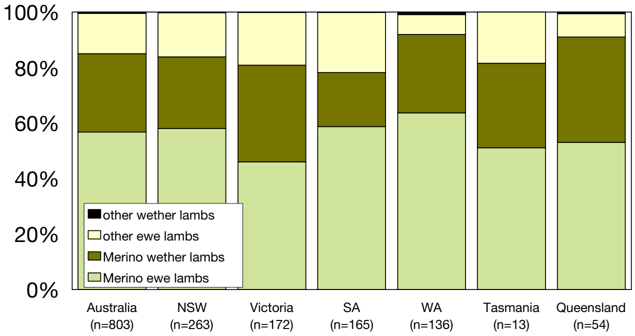
Figure 40
Slaughter lamb turnoff intentions for 2012



Source: MLA & AWI sheepmeat and wool survey June 2011

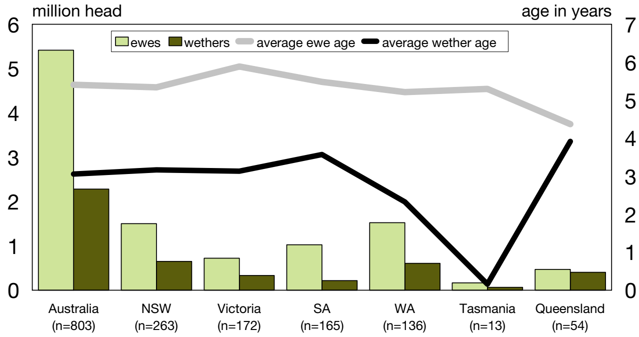
On-farm activities in 2010-11

Figure 41
Lambs retained for breeding or replacement in 2010-11



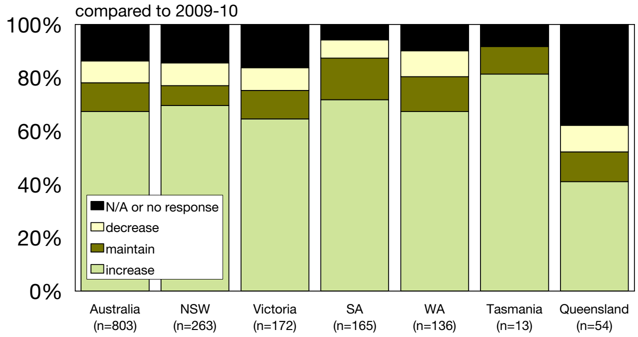
Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 42
Sheep culled or cast-for-age in 2010-11



Source: MLA & AWI sheepmeat and wool survey June 2011

Figure 43
Net returns for lamb production in 2010-11



Source: MLA & AWI sheepmeat and wool survey June 2011

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