

95/T02



## Producer Research Support

Increasing the profitability of Flinders Island beef production

Flinders Island Beef Productivity Group



### The project

Low profitability of beef production on Flinders Island due to declining pasture productivity and the high cost and unreliability of shipping to Victoria and Tasmania prompted the Flinders Island Beef Productivity Group to conduct a Producer Research Support project.

Knowing the cost of production, the effect of shipping on carcase quality and an exploration of the benefits of quality assurance has helped beef producers on Flinders Island better understand their industry.

### Objectives

1. Improve the profitability of beef production by group members by 50% by the year 2000; and
2. Increase the size of the beef herd on Flinders Island from 20,000 to 27,000 by the year 2000 and 35,000 by 2005.

### What was done

The project consisted of three elements:

1. Conduct a gross margin analysis of group members' beef enterprises and comparison of the results. The approach to be used was to be based on that used in the Beef Manager Program;
2. The implementation of a quality assurance program by all members; and
3. Trials to determine the effects of shipping on carcase quality.

### Discussion

Conducting a gross margin analysis of members' enterprises was considered very necessary given the aim of increasing enterprise profitability. Without this data members would not have a measure of any changes in profitability. The analysis would also provide indicators of ways in which profitability could be improved.

Given that shipping cattle on small boats on rough seas can have serious adverse effects on carcase quality, any additional information that could be generated on managing the shipping of cattle was considered important in improving enterprise profitability.

Implementing a quality assurance program was seen as important by group members but no premium is currently paid for cattle which are quality assured, nor is there any cost of production advantage resulting from the application of a quality assurance program.

A sub-committee responsible for the implementation of a quality assurance program by members investigated the requirements for accreditation under Cattlecare. They concluded that it would be too difficult to implement Cattlecare on the island and nothing further has been done.

Low profitability of beef production on Flinders Island due to declining pasture productivity and the high cost and unreliability of shipping to Victoria and Tasmania prompted the Flinders Island Beef Productivity Group to conduct a Producer Research Support project.

Knowing the cost of production, the effect of shipping on carcase quality and an exploration of the benefits of quality assurance has helped beef producers on Flinders Island better understand their industry.

### Key points

- Shipping cattle on small boats on rough seas can have serious adverse effects on carcase quality.
- No premium is currently paid for cattle which are quality assured, nor is there any cost of production advantage resulting from the application of a quality assurance program.

### Contact details

David Anderson  
 Bag 12, Whitemark  
 Flinders Island TAS 7255  
 Tel (03) 635 9626

## Producer Research Support

MLA Producer Research Support offers support funding of up to \$15,000 over three years for groups of producers keen to be active in on-farm research and demonstration trials.

These activities include:

- Producer Initiated Research and Development
- More Beef from Pastures demonstration trials
- Prime Time Wean More Lambs demonstration trials
- Sustainable and productive grazing grants.

Contact Stephen Feighan - MLA Project Manager, Producer Delivery and Adoption.

Tel (02) 9463 9245 or  
sfeighan@mla.com.au

## MLA also recommends

### EDGENetwork

EDGENetwork offers practical field-based workshops to improve productivity and profitability for the long-term.

Workshops cover breeding, nutrition, grazing management, marketing and selling.

Call MLA on 1800 993 343 or  
www.edgenetwork.com.au

### Meat and Livestock Australia

Level 1, 165 Walker Street  
North Sydney NSW 2060

Tel (02) 9463 9333

Fax (02) 9463 9393

Free Phone 1800 023 100 (Australia only)

www.mla.com.au

### Increasing the profitability of Flinders Island beef production

June 2006 / PIRD OUTCOMES

The group was not able to start the gross margin analysis of enterprises as only two of the members could provide sufficiently accurate records for the purpose of establishing baseline data. A considerable effort was made to get this part of the project underway.

The investigation of shipping effects on carcass quality was planned to consist of three trials. Two of these trials were conducted. They involved monitoring all aspects of transport from farm to slaughter. Half of each trial group were slaughtered when they arrived at the processing works while the other half were rested several days before slaughter.

The results of the two trials were consistent and conclusive and, as a result, it was decided it was unnecessary to proceed with the third trial.

Very detailed reports of the trials were prepared and distributed to all group members.

The group has struggled to survive and it was decided to join with the sheep discussion group which has been operating for some time. Combining the two groups would result in a discussion group consisting of 10 to 12 members who would be likely to attend most group activities.

## Next steps

Future activities of the group include:

- a feeder steer performance trial to be run in conjunction with a suitable feedlot; activities to be conducted in conjunction with the local abattoir with the aim of improving members' live cattle assessment skills;
- business skills and benchmarking; and
- property visits to be conducted two to three times per year.