

## Over the border – a tale of two properties

MIKE ROBERTS

**A complementary property in central NSW is improving profitability and spreading seasonal and financial risk for South-East farmer David Hurst.**

If you told S-E farmer David Hurst a decade ago that he would own and operate two properties 1,000km apart he wouldn't have believed you.

However, that is what he is doing, and he is finding it profitable and enjoyable.

Farm expansion and succession planning have been integral to the Hurst family since David's grandfather Elmo and great uncle Ron bought the original property 25km from Robe in 1949. The brothers divided the property 18 years later and his grandfather ran his 2,225ha share, Lake Hawdon, with David's father Ken and their families until 2004, when David's brother Anthony went out on his own.

This change, made possible by Ken's earlier purchase of additional property near Lucindale, left David, his wife Rebecca and their now three children, Nicholas 13, Lachie 11 and Sophie 9, running the original property.

Fortunately, says David, his parents were great believers in succession planning.

"It took dad about four years to slowly work through the whole succession process using local accountants and advisors from Adelaide and organising family meetings.

"He didn't want to hold us back and thought it was important we were in charge during the best years of our working lives. For that we are grateful to him.

"He still lives at Lake Hawdon and spends his time between here and my brother's property. We have taken over the land management and payments to him are set up as his superannuation fund. It works very well for all of us."

### Lake Hawdon

David manages the 2,225ha home property and another 400ha leased from Rebecca's parents. The 625mm reliable-rainfall country has very shallow alkaline soils over limestone.

Drains built by the government take water off the property during wet winters but water can be retained in the system



DAVID HURST IN A Paddock OF CANOLA, ONE OF THREE MAIN CROPS GROWN ON HIS LAKE HAWDON PROPERTY NEAR ROBE, IN THE SOUTH-EAST.

by raising weir heights in the drains to maintain groundwater levels when things start to dry out in spring; which allows the moisture to be used by pastures and can extend the winter grazing period by several weeks.

**The major difference between the two properties is that Lake Hawdon has alkaline soil over limestone whereas Myee has acid soil over a red clay loam.**

Prime lamb production is the main game on Lake Hawdon, with a 5,000-ewe sheep flock based on Merino and some Merino-SAMM cross ewes. Slightly more than 10,000 sheep are shorn each year on the property, which also supports a 270-cow herd of Shorthorn cattle.

In addition to the permanent pastures, David has 40ha under centre pivot irrigation that is used to grow lucerne and chicory to finish the lambs, which also graze bean stubbles and dryland lucerne.

The main cropping program is spread over 600ha: 200ha each of Aquadulce broad beans, canola and wheat. When pasture country is brought into the cropping system it is ripped up but from then on is cropped with a 10.8m Gason disc machine which limits the stone brought to the surface and handles the trash well.

"Our big problem down here is snails so we roll, bait and bash as much as we can and only burn when we have to," David said.

Zinc, manganese and copper deficiencies can be issues in the soil types and wet conditions characteristic of many areas of the S-E and foliar application of trace elements is a big part of David's crop nutrition program. "We have a big old

dairy vat and our own mixing system.” Spraying is done with a 28m Goldacres towed unit towed by a tractor that is also used for spreading urea.

### Over the border

Following the changes in 2004 that saw David and Rebecca running their own business they wanted to expand their holding but were hampered by inflated S-E land prices caused by investment schemes in bluegum plantations. “We tried to purchase a couple of blocks of land locally but they were just too dear.”

Sometimes, however, good fortune results from a roadblock that takes you in another direction.

David’s sister Shirley and her husband Paul Tognetti had been managing a property, Myee, near Grenfell in central NSW since 1997, first for Pam and Mike Duncan and more recently for Pam following the death of Mike in 2008.

In 2005 Shirley and Paul had a huge harvest and David took one of his two semi trailers over to help them cart grain. He was impressed with what he saw and the potential of the property and, in discussion with Paul and Shirley after the harvest, worked out that the return on investment per hectare was greater on the NSW property than at Lake Hawdon due to the bluegum-inflated land prices in the South-East.

In 2006 the Hursts asked Pam Duncan for the right to make an offer should she ever decide to sell and David and Rebecca became the owners of Myee the following year.

David is at pains to point out that the skills of Paul and Shirley were integral to the purchase of Myee and vital to its complementary operation with Lake Hawdon.

“It wouldn’t have happened without them. They had all the records and history of what this property could do. I only need to go to Myee about three times a year. There are times when lots of sheep need to be carted to Lake Hawdon and I might be there four times in two weeks but I just roll in with a semi, load up and roll out. Normally I only go there for harvest, lamb marking in August and maybe one trip in February or March with Rebecca and the kids just to have a look at the property. My brother-in-law and sister are very switched on to the latest farming technology.”

### Myee

Myee is a property of 1,830ha at Grenfell, on the edge of NSW’s South-West slopes region. The average rainfall of 625mm, the same as Lake Hawdon, falls predominantly in winter but there is often also significant summer rain.

The major difference between the two properties is that Lake Hawdon has alkaline soil over limestone whereas Myee has acid soil over a red clay loam, so the two properties require two different, but complementary, farming systems. “When our two semis go up there to cart grain they each go with a load of lime. That is something we have in abundance, with a lime pit right beside our S-E property.”

While Lake Hawdon is primarily a livestock operation, cropping is the focus

on Myee, with a cropping phase of mainly wheat and canola – in most years they sow around 850ha of wheat and 400ha of canola – alternating with a three-year lucerne phase.

David says that when he is in NSW he is often told to take off his S-E hat and put on his northern one. “The big thing for us over there is moisture conservation. We have a controlled traffic set up on multiples of 9m on 3m tracks with inter-row sowing on 300mm spacing.”

The header front and the airseeder are 9m wide and the boomspray is 27m.

“The airseeder has two discs in place of tines in front of the wheels so we don’t rip up our controlled traffic tramways. They call it a ‘fuzzy track’. Instead of sowing a knife point down deep we sow it shallow with a disc to control weeds and keep it compacted.

Both properties use Green Star 2cm guidance systems. With seven years of accurate yield mapping on Myee they are in the process of adopting variable rate sowing in some paddocks.

“Grain storage is a big thing for us. We are very lucky in NSW as we are able to share the running of an old Graincorp silo with three other farmers, which allows us to market our grain. At Lake Hawdon we have enough on-farm storage for all our pulses.”

### Sharing machinery

With the exception of the header, a John Deer 9670, and two prime movers, machinery is not shared between the properties. The decision to use the header



DAVID HURST WITH WIFE REBECCA AND THEIR CHILDREN, NICHOLAS, LACHIE AND SOPHIE.



CROPS, INCLUDING WHEAT (ABOVE) ARE THE FOCUS ON MYEE.



MYEE MANAGER PAUL TOGNETTI CHEST-DEEP IN FLOWERING CANOLA. CROPS ON MYEE MATURE MUCH EARLIER THAN THOSE ON LAKE HAWDON.

on Lake Hawdon and Myee was made on the basis of harvest timing in the two locations and plain old dollars and cents. In mid August this season canola at the S-E property was only 125mm high but was already well into flowering at Grenfell.

“This is where Myee really works with our Lake Hawdon ground,” David said. “We can send the header and trucks to NSW in mid November to start harvest, finishing just before Christmas. As soon as the header is thoroughly cleaned it is transported back to the S-E just as crops are ripening here. We normally finish the whole harvest by the end of January. In a couple of the years the timing wasn’t exactly right but mostly it works.”

Thoroughly cleaning and servicing the header is very important to avoid transporting weed seeds from one property to the other. “We have a service truck that tows our comb trailer between the two properties. It’s equipped with a big industrial air compressor, diesel tank, water tank and toolboxes. As soon as harvest is done, all the concaves and sieves are pulled out, blown down, cleaned and put back together. A contractor carts the header back to SA. When our two semis come home they normally have a backload and everything gets shifted in a day.”

The cost of transporting the header in one direction is \$5,000 - \$10,000 return.

“We are doing roughly 400 rotor hours per year so it is not justifiable to own two headers or pay a contractor \$600 per rotor hour.

“The prime movers that go up with lime may come home with grain or wool. We try not to let them run empty. When we cart our lambs back we like to cart sheep up, sometimes for other producers, then come home with the lambs.”

**Our big problem down here is snails so we roll, bait and bash as much as we can and only burn when we have to.**

A new tractor bought in SA for the NSW property is hooked up to JD Link so the John Deere dealer can monitor its performance.

### Livestock

Myee runs 2,000 SAMM-Merino cross ewes, which are bred at Lake Hawdon, mated as lambs and have their first lamb at the home property. They are then trucked up to Grenfell as 1.5 year-old dry ewes in November.

In most years about 2,500 lambs are all trucked back to Lake Hawdon for

fattening in spring. “None of the lambs produced in NSW are fattened up there unless there is an absolute cracker of a season. We truck them all back to Lake Hawdon in the spring and it adds to our lamb enterprise back here.”

The sheep at Myee are grazed mainly on the lucerne country but the ewes lamb on early-sown Wedgetail wheat before the paddocks are shut up and the crops allowed to mature and set grain for harvest. Stubbles are grazed only very lightly.

Lamb marking starts at the end of August and by the end of October most of the lambs are back in SA. They return quite small, 2-4 days after weaning.

Cattle are not normally run at Grenfell but because this season was so good and some ‘rough country’ was available, 100 head from Lake Hawdon were agisted at Myee. “You have to be very careful that you are not shipping stock backward and forward all the time. It is 1,000km from door to door and you can waste so much time running between two properties. If they go there, they stay there. If they run out of feed one week they don’t get shipped back the next.”

### Management

Paul runs the Grenfell property on his own but is in phone contact with David two or three times a week. He normally checks in about decisions but has full

purchasing authority, David said.

“The two properties are run independently. If we move sheep to Myee from Lake Hawdon then those sheep are transferred at a book value so we can see how each property is performing. Paul does the budgeting up there and reports to me on how we are operating and what’s going on. The bookwork for Myee is done on site using the Phoenix program and files are then sent down to Lake Hawdon. Rebecca then combines the bookwork for the two properties for BAS reporting.”

Paul manages all the stock and both properties shear at the same time without a problem. “He has one workman up there and I have three blokes working for me down here.”

### Advice

Local NSW agronomist James Ingery guides Paul’s cropping decisions. Together they monitor crops, sample soils, including deep N testing, and compile yield maps. In the S-E David uses the services of agronomist John Hendersen at Millicent Farm Supplies to assist with decisions at Lake Hawdon.

Advice on business decisions across the two properties is provided by Jim Symon from McMichael and Associates at Albury. “He does all our financials for the two properties and does all the financial analysis of the various enterprises across both properties,” David said.

David, Paul and Jim have a scheduled meeting once a year to consider any new initiatives and make plans for the coming 12 months.

David and Rebecca use Sydney-based company Market Check for advice on grain marketing issues including swaps, options and other grain sales strategies for the two properties.

### Future

“Purchasing the NSW property has given us diversification and spread our risk but Lake Hawdon remains the ‘crown jewel’ that really underpins the operation. It has enabled us to remain profitable by expanding into an area that produces better returns per hectare on money invested.”

Since 2007 a lot of work has been done on the NSW property to improve fencing, create laneways and re-size paddocks for easier management. On Lake Hawdon, an established property, the focus is on improving sheep technology to reduce labour input.



DAVID HURST BESIDE ONE OF THE WEIRS THAT ENABLE HIM TO CONTROL GROUNDWATER LEVELS BY MANAGING WATER LEVELS IN SEVERAL DRAINS THAT RUN THROUGH THE LAKE HAWDON PROPERTY.

David enjoys owning a second distant and quite different property. “It is a completely different farming system so that when we go up there it is almost like having a holiday! My family enjoys it too. If we happen to go on a holiday to Queensland or Victoria we will always try to call in and have a look at Myee.”

But as to the future, David is philosophical, preferring to focus on ensuring they have flexibility of choice by managing things well enough that they are not forced into decisions. “Who knows, down the track we may sell the NSW property to concentrate more in one area. Farming is a business and you can’t get sentimental.

“Owning Myee gives us flexibility, and the beauty of it is that if I do increase the

area up there it is no more work load on me. If I had all those hectares near Lake Hawdon it would put more pressure on me than I have now.

“It’s a very different system in NSW and people often wonder why I do what I do. I can run my farm on the telephone but can be there in a day if I need to be. I can leave at lunchtime and I’m up there at midnight, in 12 hours. If you don’t like driving, it’s not for you, but I really do enjoy it.

“I’m very lucky to have my sister and brother-in-law who are the key to making this operation work so well. They are in it for the long haul. Paul would love to see one of my children take over from him when he’s ready to retire. That is the kind of business we are trying to run.” 🍷



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