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Seminar Notes:

1. Issues brought on by the drought

- producers are being forced to sell stock because of current or projected feed and/or water shortages
- prices have fallen for good quality stock as numbers in market have risen
- poorer quality stock are either unsaleable or being sold for a pittance

2. What does this mean over the next 6-9 months?

- producers are faced with cash flow problems and inability to meet loan payments
- producers will have to calculate the relative costs of selling stock and trying to buy back in versus holding onto stock
- if selling breeding stock they could be losing valuable genetics, and are faced with difficulty in buying back into breeding stock in the future because of cost and the quality available
- if trying to hold onto stock, they have to calculate costs of feeding and watering, face difficulties in sourcing feed and are gambling on prices rebounding at a future date
- unsaleable stock may need to be shot if feed and water costs are uneconomic or unavailable
- prices could begin to rise again for quality stock....when? but no guarantees. Depends on supply and demand, costs and availability of feed and water, when it rains, how fast feed grows and stock supplies remaining here are interstate by then

3. What needs to be done?

- firstly, everyone needs to be reminded that the sun still comes up everyday, the world has not stopped turning and there are people in the world a lot worse off than this. They still have their families, their health and there are always alternatives, even if it is something they haven't got their mind around yet
- producers need to sit down and do some hard calculations on feed, water, potential stock prices, and talk to their bank/other finance sources and creditors to work out plans rather than making assumptions
- agents need some guidance/training in how to speak to desperate clients as they are often the first people producers speak to about stock prices and what they should do (consequences can be drastic and already have been – suicide)
- agents need to be circulated with a list of people for producers to contact for assistance, eg health, financial counselling, information on containment paddocks.

4. Resources and assistance available, contacts.....

- agents are often a major first point of contact for producers seeking information on stock prices, feed sources, agistment, direct sales to other districts or states and disposal of stock. Agents would be assisted by a central point of contact for information distribution
- as a result agents could supply contacts for other points of assistance, eg. health and financial counselling, and DPI – especially if producers are shooting stock. That should not be done alone (too depressing) and producers need guidance about digging pits (location, size, etc)
- ALPA could have a role in circulating information to agents from other agencies about meetings/workshops on handling drought, contacts, financial assistance available, etc.