

Teagasc Notes for the week ending Friday September 22nd 2017

Beef

Scan and plan

September should see spring-calving suckler cows at least a month in calf and therefore ideally suited to pregnancy scanning. This will give some indication of how well breeding has gone this year. How many empty cows have you got? Are any cows carrying twins? Are any cows going to run late? When are the bulk of the cows due to calf? All of these questions can be answered for a cost of around € 3-5/cow, which is not bad value. Having this information allows you to plan. Empty cows can be separated from the main group, weaned earlier and sold or finished. Having them ready and gone before Christmas will free up shed space and hopefully ensure that you get a good price. Knowing when calving is likely to start and end will help you decide the timing of vaccinations such as scour. Cows can be grouped according to expected calving date. If scanning has not gone so well and you end up with 5% or more of empty cows, then you need to try and get to the bottom of what has gone wrong.

Alternative beef enterprise

Contract rearing is making commercial sense for some farmers. Could contract heifer rearing work for you? Contract rearing has become more widely practised as dairy farmers increase their cow numbers. Contract heifer rearing is an agreement where a dairy farmer pays a contract rearer a set fee per day, for an agreed period of time, to rear his/her heifers. It is an opportunity for cattle farmers to work with dairy farmers to improve profitability.

Profit and cash flow

Contract heifer rearing can deliver the same or a better profit than cattle farming. It will depend on your stocking rate and your costs along with the rate paid (see Table 1). One significant advantage is that there isn't a need for dramatic investment as the stock remain in the ownership of the dairy farmer. A big advantage is that you know how much you are getting paid and can have the money paid into your account each month.

Lifestyle?

This comes up time and again. Many suckler farmers feel that there is a low return from suckling and that the labour input is high, particularly at calving. Many farmers feel that dairy-bred, bucket-fed animals are easier to handle and safer for children on the farm.

Disadvantages to contract rearing

All joking aside, working with another farmer is a different way of working. Where contract rearing has worked well is where both farmers are on the same page and are attempting to get the heifers reared in the best possible way. Neither farmer should feel like they are being squeezed for the last penny.

Assumptions

Heifers arrive as weaned calves on May 1 and leave the rearer's farm on November 1 of the following year (549 days). Each heifer unit includes a calf and a yearling heifer. So, 2.4 heifer units/ha on 40ha is 96 calves and 96 yearling heifers. 300kg of meal (€250/t) is fed to each heifer (1kg/day for two weeks after turnout and 1.5kg/day for six weeks pre housing, then 1.5kg/day over 92 days of first winter).

What rate for each of the heifer rearing stages? Each farm will be different but, as a rough guide, the stages can be broken down as follows (where all costs are borne by the rearer):

- calf rearing (drop calf – three months) €2.00/day;
- calf grazing €0.80/day;
- weanling winter €1.80/day;
- yearling grazing €1.05/day; and,
- in-calf heifer winter €2.10/day.

Table 1: How does the financial return compare to beef?

	2016 average suckling to beef	Rate: €1.10/heifer/day
Stocking rate	1.9	1.9
Heifer units/ha		2.4
	€/ha	
Receipts	1,441	1450
Variable costs	714	696
Gross margin	727	754

How to stock your farm fully?

This is a real issue for contract rearers. Some contract rearers have stock from more than one dairy farm, or have their own stock as well as with dairy heifers. Another viable option is for the rearer to take all of the calves, including bull calves, from the dairy farmer. TB testing should be carried out in the summer to ensure time for retesting should an animal go down in the test. Should a dairy farmer or rearer be locked up with TB, the Department will allow transfer of animals from one farm to another, but both herds will be locked up.

Dairy farmer's view

Contract rearing of heifers will be attractive to dairy farmers if:

- labour is short on their farm; and,
- land can be freed up to carry more cows by moving the replacements off.

What a dairy farmer will be looking for

They will be looking for a farmer with good grassland and livestock skills so that key animal performance targets will be achieved. They will be looking for someone that they can trust to take care of the future of their dairy herd. Set out clearly in advance how the targets are going to be monitored and what is to happen if they are not being achieved (how often will the stock be weighed?). In general, the weight targets are very achievable where grassland management is good.

Key targets

- Heifers need to gain 22kg per month from birth to calving if calving at 24 months. If calving younger than this, they need to gain more per month.
- All heifers have to be submitted for breeding in the first three weeks of breeding.
- All heifers must calf down in the first six weeks of calving.

Table 2: Target weights for different breeds of replacement heifers

Age (months)	%mature weight	Holstein Friesian	NZ Friesian	Jersey crossbred
6	30	155	148	138
9	40	175	170	160
15	60	330	315	295
24	90	550	525	490