

## Sectoral Road Map: Suckler Beef

### Market and policy issues

- The EU is only 96% self-sufficient in beef production. Consumer demand for beef is expected to further exceed EU production over the coming years.
- Ireland exports approximately 90% of its beef production and is the eighth largest exporter of beef in the world.
- The outcome of the CAP Reform deliberations may be unfavourable for farms with a sizable Single Farm Payment. This may have a significant negative impact on the incomes of suckler beef farmers.
- International trade agreements, such as Mercosur and the WTO, may present a serious threat through greater South American access to EU markets.
- The Suckler Cow Welfare Scheme has helped to improve husbandry and management practices, and stabilise beef cow numbers in the short term.

- The demand for land for energy crop production and projected dairy herd expansion will compete with that for suckler beef production in the future.
- Increased grain prices arising from demands of an expanding world population for energy and food production will favour grass-based beef production.

### Shape and size of the sector in 2018

- There is likely to be a small reduction of about 10%, from 100,000 to 90,000 herds, in the number of farms with beef cattle.
- The number of suckler beef cows is likely to continue to reduce by approximately 14,000/year between now and 2018.

### Technical and financial performance for suckler steer calf-to-beef production (bull beef).

	Sectoral average		
	Current*	2018	Grange steer (bull)**
Calving interval	400	390	367
Calving – Feb-Mar (%)	42	52	70
Cows/heifers calving in three months (%)	61	69	100
Heifers calving at 23 to 26 months (%)	13	25	100
Replacement rate (%)	15	17	20
Calves/cow/year	0.81	0.87	0.95
Average SBV (€)	62	100	120
Grass (% of total DM fed)	49	51	61 (58)
Silage (% of total DM fed)	38	38	31 (30)
Concentrates (% of total DM fed)	13	11	8 (12)
Herbage utilised (kg DM/ha)	4,760	5,997	10,048 (9,518)
Concentrate per LU (kg DM)	505	438	325 (499)
Steer (bull) carcass weight (kg)	355	361	395 (360)
Steer (bull) age at finish (months)	28	26	24 (16)
Heifer carcass weight (kg)	321	326	315
Heifer age at finish (months)	26	24	20
Mean carcass grade	R=3=	R=3=	R+3 =
GHG emissions (kg CO <sub>2e</sub> /kg carcass)	21.2	20.0	18.0 (17.4)
Organic nitrogen (kg/ha)	110	130	210
Inorganic nitrogen (kg/ha)	71	80	195 (170)
Liveweight output (kg/ha)	457	580	1,065 (1,161)
Carcass output (kg/ha)	250	317	586 (649)
Costs per kg liveweight (€/kg)	1.77	1.52	1.29 (1.33)
Gross output (€/ha)	699	887	1,514 (1,684)
Gross margin (€/ha)	262	377	761 (874)
Net margin (€/ha)	-110	5	340 (454)

\*NFS 2009 based on single suckling herds with greater than 20 cows – calf to finish

\*\*Based on prices – beef carcass €3.10/kg; concentrates €200/t; €CAN 210/t; Urea €320/t

# Suckler Beef *(continued)*

- An increased uptake of bull beef systems is expected to increase output and efficiencies.
- Production of quality weanlings for live export to the Italian market from the suckler herd will be a profitable option for specialist producers.
- The most efficient suckler calf-to-steer beef producers finishing males as steers can expect to achieve a gross margin of €800 per hectare by 2018.

## Environmental and land use implications

- Compliance with the Nitrates Directive is not a major issue on most cattle farms but will be a challenge for a number of feedlot type operations. Larger units may expand and avail of a derogation from the Nitrates Directive.
- The targets outlined overleaf will lead to a reduction in greenhouse gases when expressed on the basis of output per kg of beef produced.
- The Water Framework Directive will result in more monitoring of water quality into the future. Teagasc is confident that good farming practice and good water quality can co-exist.

## Technical performance indicators

- The table overleaf sets out the physical and financial targets for efficient suckler calf-to-beef systems – both steer and bull.
- Suckler calf-to-beef systems currently under evaluation at Grange (Derrypatrick Herd) have set gross margin targets in excess of €1,000/ha.

## Research and advisory actions

- Develop and promote more profitable grass-based systems of suckler beef production driven by better grazing management, increased genetic merit and lower fixed-cost infrastructure.
- Research and demonstrate systems that maximise receipts at minimal cost. This can be achieved through reducing fixed and variable costs on farms, increasing price received per head, increasing weight of animal sold, maximising the number of animals sold, and increasing other farm income sources.
- Develop and implement new technology transfer models such as the 'BETTER' (Business Environment Technology through Training, Extension and Research) Farm model. This requires an effective partnership between Teagasc and commercial farmers to enable the effective adoption of available technology and identification of relevant research needs.
- Expand the use of discussion groups and Beef Profit Monitors to communicate technical messages to beef farmers. The current Teagasc–*Farmers Journal* BETTER Farm Programme should be linked with an effective discussion group network.
- Develop stronger linkages with industry partners, e.g., meat processors, the ICBF and AHI.



- There will be significant development in the suckler beef value (SBV) index facilitated through increased reliability of fertility traits, genomics technology and using a bio-economic model to estimate economic weightings.
- The outcome of the above actions will be an increase in the productivity and competitiveness of Irish suckler beef farms. This will be achieved through a combination of:
  - greater adoption of best grazing management practices at farm level resulting in an increase in grass utilised per hectare and stocking rate;
  - an increased rate of genetic progress in the national herd resulting in a greater number of calves reared per cow per year;
  - reduced calving interval and more compact seasonal spring calving pattern;
  - greater output of liveweight per hectare; and,
  - reduced costs per liveweight gain.

## Comment

- There is a need for a transparent pricing system through closer links in the production-processor-consumer food chain.
- The 20% increase in the output value of the beef sector by 2020 as outlined in the *Food Harvest 2020* report should be achievable with increased efficiency in suckler beef and an increase in the number of dairy beef calves.

## Contact

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*The road map for suckler beef is available on [www.teagasc.ie](http://www.teagasc.ie).*