

## BEEF

### *Beef Outlook for 2025*

In 2023, UK beef production was about 900,000 tonnes and is falling as are herd numbers. Suckler cow numbers have dropped by 16% since 2010 to about 1.4 million head. But then UK per capita beef consumption is also falling, having declined about 10% since 2007.

Despite this, beef prices have been very high since 2021 giving some farms a financial boost. Costs have also been rising though, closing that profit margin again. Nevertheless, many UK beef enterprises are still profitable despite a very large range in performance.

Longer term, competition from Australian and New Zealand imports will exert downward pressure on prices, presenting challenges for suckler beef. Looking ahead, supplies are tight and demand for higher value cuts such as roasting joints is strong, but import competition will keep prices in-check.

Suckler-cow beef supplies the premium beef market, so a focus on breeds to produce higher quality beef, has changed the varietal makeup of the national herd. Aberdeen Angus calves in England and Wales are up by almost one third since 2019. Wagyu calves are up by 500%. Native breeds such as Beef Shorthorn and Hereford have also risen. Registrations of continental breeds such as Charolais and Limousin have fallen. These trends indicate a greater focus on quality and easy-to-manage cattle.

Dairy-beef is expected play a more dominant role in the future, particularly for lower priced cuts, and mince (which accounts for 50% of all beef consumed in the UK), as it already does in Ireland being considerably cheaper, as the mother is kept (and paid for) by the dairy unit.

Beef production is also associated with high greenhouse gas (GHG) emissions. GHG emissions from dairy cows are allocated to milk output as opposed to the dairy calves which means beef from dairy calves is less environmentally damaging. Reducing greenhouse gas (GHG) emissions is a challenge for the industry. Historically, better productivity and improving environmental impact were perceived to be mutually exclusive. But this is not necessarily so. High productivity across all areas can lower emissions per unit of output. These should be the essential first step to reducing emissions and they can also financially benefit farms.

The numerous beef systems vary by factors such as feed and forage, breeds, housing, sale weights, market outlets, labour availability, enterprise scale and personal choice. Thus, financial performance is diverse. This book simplifies the systems into calving, suckler units, stores and finishers. The gross margins here represent the 'standard' systems.

### Dairy Cross Calves

The values in the table below are for dairy bulls or beef cross calves of average quality, less than three weeks old. These values have been used in the budgets for the following beef systems. There is large regional and seasonal variation in calf prices.

#### Calf values of various beef cattle

	Bulls	Heifers
Holstein Friesians	55	-
Hereford Cross	140	110
HF/Continental Cross	260	200

### Calf Rearing

#### Early Weaning - Bucket Rearing Dairy Beef (per calf)

Breed Type	Hereford	Continental	All
Months	3	3	6
	£	£	£
Value of Calf	275	413	563
<b>Less</b> Calf Purchase & 5% Mortality	131	242	186
<b>Output</b>	<b>144</b>	<b>171</b>	<b>376</b>
Variable Costs:			
Milk Substitute		51	51
Concentrates		58	138
Hay		6	29
Vet & Med.		15	20
Bedding		9	16
Miscellaneous		7	14
<b>Total Variable Costs</b>	<b>146</b>	<b>146</b>	<b>268</b>
<b>Gross Margin</b> per Calf Reared	<b>-2</b>	<b>25</b>	<b>108</b>

Concentrate Feed	£/t	0-3 months		3-6 Months		0-6 months	
		kg	£/calf	kg	£/calf	kg	£/calf
Milk Substitute	£2,560	20	£51	0		20	£51
Weaner Pellets	£380	144	£55	0		144	£55
Concentrate	£305	0		203	£62	203	£62
Barley	£210	16	£3	87	£18	103	£22
<b>0-3 month Conc.</b>	<b>£363</b>	<b>160</b>	<b>£58</b>	<b>290</b>	<b>£80</b>	<b>450</b>	<b>£138</b>

#### Other Costs

Hay	£115	50	5.7618	200	£23	250	£29
Bedding	£90	100	9	80	£7	180	£16

1. *Calf Purchase*: Equal male and female calves (Hereford Cross/ Continental beef cross, 1-2 weeks old). Average = £178 plus 5% mortality, mainly in first 3 weeks = £186.
2. *Calf Sale*; 3 months = 110kg, 6 months = 225kg.
3. *Milk substitute*: Calves fed on machine ad-lib milk systems use more milk powder.

4. *Weights*: at start = 45 to 50 kg; at 3 months = 110 kg; at 6 months = 225kg.
5. *Contract rearing charge* (both 0 to 3 months and 0 to 6 months): £18.00/week. *Direct labour cost*: approximately £35 per head to 3 months, £52 per head to 6 months.
6. *Labour requirements (all beef systems)*: see page 203.

### Suckler Cows

#### Single Suckling (per Cow): Lowland

System	Spring Calving		Autumn Calving	
	8 months		12 Months	
Performance Level	Average	High	Average	High
	£	£	£	£
<i>Value of Store Calf Sold</i>	699	788	926	982
Calf Sales per year	624	749	827	933
<b>Less</b> Cow and Bull Depreciation	142	142	164	164
Calf Purchases & Bull Maint.	14	14	16	16
<b>Output £/cow/year</b>	<b>467</b>	<b>593</b>	<b>646</b>	<b>752</b>
Variable Costs £/cow/yr:				
Concentrate (Cow and Calf)	51	33	93	78
Purchased Bulk Feed		18		27
Vet & Med		40		42
Bedding		63		72
Miscellaneous		40		42
<b>Variable Costs (ex. forage)</b>	<b>211</b>	<b>194</b>	<b>275</b>	<b>260</b>
<b>Gross Margin £/Cow/yr</b>				
ex. Forage	256	399	371	492
Forage Variable Costs	117	104	117	104
<b>Gross Margin £/Cow</b>	<b>138</b>	<b>295</b>	<b>253</b>	<b>388</b>
<b>Stocking Rate:</b> Cows/Ha. (Acre)	1.50 (0.6)	1.70 (0.7)	1.50 (0.6)	1.70 (0.7)
<b>Gross Margin £/Forage Ha (Acre)</b>	<b>208 (84)</b>	<b>502 (203)</b>	<b>380 (154)</b>	<b>660 (267)</b>

1. *System*: Relates to performance per year. Assumed 390 days average calving interval, showing figures per 365-day period. Calves sold as stores at 8-months for spring calvers and 12-months for autumn calvers.
2. *Performance level*: relates to variations in both outputs and inputs.

Calf Sales Detail	Spring Calving		Autumn Calving	
	Average	High	Average	High
Store Sale Weights (kg)	280	309	371	385
Sale Prices (£/kg)	£2.50	2.55	£2.50	2.55
Sale Age (Days)	250	240	365	340
Calves reared/cow/year	0.89	0.95	0.89	0.95

3. *Cow & Bull Depreciation:*

<b>Depreciation</b>	Spring C.	Autumn C.	Bull
Heifer Price - £	£1,950	£1,950	£2,700
Cull Price - £	£1,000	£1,000	£1,600
Animal Life (Years)	7	6	6
Depreciation £/cow	£136	£158	£6

4. *Calf Purchases:* £178 each, 3 per 100 cows mated (spring calving) 4 per 100 cows mated (autumn calving). Bull maintenance £274/year per 30 cows = £9.14/cow.

Dairy cross beef cows have better fertility performance than continental pure-bred cows, but lower cull sale prices.

5. *Concentrate feed:*

<b>Concentrates</b>	Spring Calving		Autumn Calving	
	Average	High	Average	High
Cow kg's	110	60	190	145
Cow - £/t	295	295	295	295
Calf kg's	60	50	120	115
Calf feed - £/t	305	305	305	305
Total Concentrate	£51	£33	£93	£78
Cow	32.45	17.7	56.05	42.775
Calf	18	15	37	35
All Kg	170	110	310	260
All £/t	£299	£300	£299	£299

6. *Straw:* where yarded in winter, straw requirements average 0.7 tonnes per cow for spring calvers and 0.8 tonnes for autumn calvers at £90/t.
7. *Forage Area:* includes grazing and conserved grass (silage and hay). Higher stocking rates imply better use of grassland or achieved by buying in more winter fodder, or feeding more arable by-products, including straw. Purchased bulk fodder and/or straw balancer concentrates will reduce gross margin per cow but increase gross margin per hectare. Forage cost from Improved Permanent Pasture in Forage at £182/ha page 47.
8. *Headage Payment:* A flat rate payment is made in Scotland on three-quarter bred beef calves from Suckler Cows. This is £105.10 per calf on the mainland and £151.24 per calf on the islands (2024 rates). Actual rates depend on the number of calves claimed on each year. Cows will only be eligible in 2025 if their calving interval is 410 days or less (or if it is the cow's first calf). See Top-up Schemes in Chapter III.
9. *Multiple calves:* In lowland conditions rearing two or more calves per cow is an option but needs substantially greater labour input. Output is raised by fostering a second purchased calf onto a cow soon after calving, with little impact on costs of keeping the cow. The cow breed needs to be of a quiet temperament and have enough milk to rear two calves.

**Single Suckling (per Cow): Upland**

System	Spring Calving		Autumn Calving	
	8 months		12 Months	
	Average	High	Average	High
Performance Level	£	£	£	£
<i>Value of Store Calf Sold</i>	681	714	909	901
Calf Sales per year	608	679	811	857
<b>Less</b> Cow and Bull Depreciation	142	142	164	164
Calf Purchases & Bull Maint.	15	15	17	17
<b>Output £/cow/year</b>	<b>451</b>	<b>522</b>	<b>630</b>	<b>676</b>
Variable Costs £/cow/yr:				
Concentrate (Cow and Calf)	60	42	100	85
Purchased Bulk Feed		17		25
Vet & Med		39		41
Bedding		69		78
Miscellaneous		40		42
<b>Variable Costs (ex. forage)</b>	<b>225</b>	<b>207</b>	<b>286</b>	<b>271</b>
<b>Gross Margin £/Cow/yr</b>				
ex. Forage	227	315	344	405
Forage Variable Costs	106	97	106	97
<b>Gross Margin £/Cow</b>	<b>120</b>	<b>219</b>	<b>238</b>	<b>308</b>
<b>Stocking Rate:</b> Cows/Ha. (Acre)	1.00 (0.4)	1.10 (0.4)	1.00 (0.4)	1.10 (0.4)
<b>Gross Margin £/Forage Ha (Acre)</b>	<b>120 (49)</b>	<b>240 (97)</b>	<b>238 (96)</b>	<b>339 (137)</b>

1. *System:* Relates to performance per year, i.e. for the production period. Assumed 400 days average calving interval (380 for high performers) Performance level: relates to variations in both outputs and inputs.
2. *Performance Level*

Calf Sales Detail	Spring Calving		Autumn Calving	
	Average	High	Average	High
Store Sale Weights (kg)	273	280	364	354
Sale Prices (£/kg)	£2.50	2.55	£2.50	2.55
Sale Age (Days)	250	240	365	330
Calves reared/cow/year	0.89	0.95	0.89	0.95

3. *Cow & Bull Depreciation:*

Depreciation	Spring C.	Autumn C.	Bull
Heifer Price - £	£1,950	£1,950	£2,700
Cull Price - £	£1,000	£1,000	£1,600
Animal Life (Years)	7	6	6
Depreciation £/cow	£136	£158	£6

4. *Calf Purchases:* £178 each, 3 per 100 cows mated (spring calving) 4 per 100 cows mated (autumn calving). Bull maintenance = £285 per 30 cows = £9.50/cow.

Dairy cross beef cows have better fertility performance than continental pure-bred cows, but lower cull sale prices.

5. *Concentrate Feed:*

<b>Concentrates</b>	Spring Calving		Autumn Calving	
	Average	High	Average	High
Cow kg's	120	70	195	150
Cow - £/t	295	295	295	295
Calf kg's	80	70	140	135
Calf - £/t	305	305	305	305
Total Concentrate	£60	£42	£100	£85
Cow	35.4	20.65	57.53	44.25
Calf	24	21	43	41
All Kg	200	140	335	285
All £/t	£299	£300	£299	£300

6. *Straw:* where yarded in winter, straw requirements average 0.75t/cow for spring calvers and 0.85t for autumn calvers at £92/tonne.
7. *Forage Area:* includes grazing and conserved grass (silage and hay). Higher stocking rates imply better use of grassland or higher can be achieved by buying more winter bulk fodder, or by winter feeding more arable by-products, including straw. Purchased bulk fodder and/or straw balancer concentrates will reduce gross margin per cow but increase gross margin per hectare. Forage cost from Low Input Permanent Pasture in Forage page at £110/ha on page 47.
8. *Headage Payment:* A flat rate payment is made in Scotland on three-quarter bred beef calves from Suckler Cows. This is £105.10 per calf on the mainland and £151.24 per calf on the islands (2024 rates). Actual rates depend on the number of calves claimed on each year. Cows will only be eligible in 2025 if their calving interval is 410 days or less (or if it is the cow's first calf). See Top-up Schemes in Chapter III.

