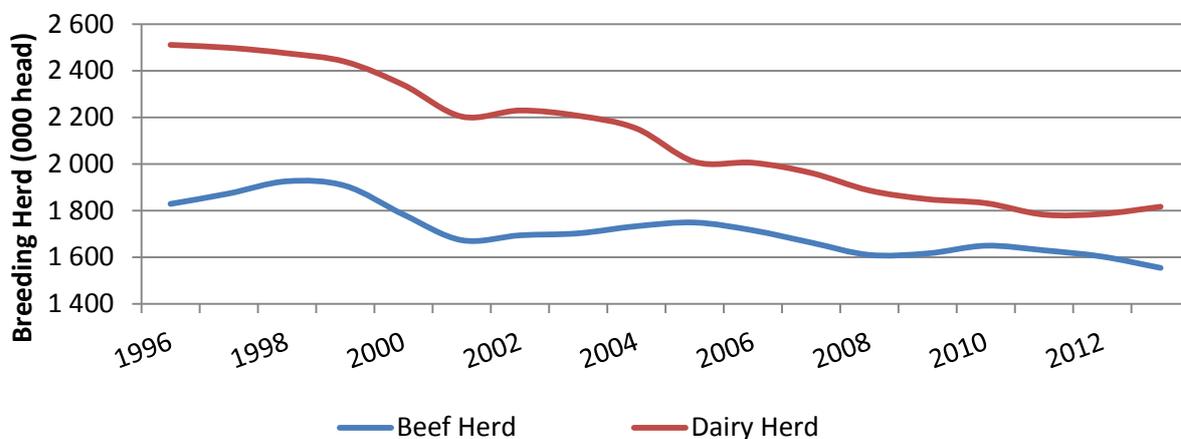


## Great British Beef Week

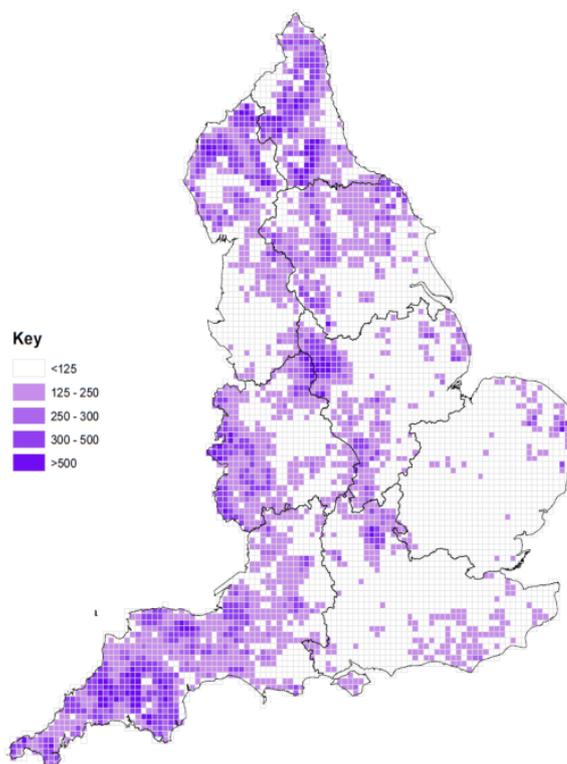
Our Great British beef supply depends on our great British suckler herd. There is much that could be addressed in the industry, through the supply chain and in government to help safeguard the future competitiveness and sustainability of our British suckler farms.

### Key facts

- We get our British beef from calves which are born on both dairy herds and beef herds.
- Although some farms will rear cattle from birth to slaughter, it is common for cattle to be kept on more than one farm in their lives to allow farmers to specialise on rearing the age and breed of cattle their farm is best suited to.
- Our British beef supply comes from around 2.6 million cattle each year.
- The proportion of our beef which comes from the beef herd has increased in recent years as the dairy herd has declined. Around 50% of the beef we consume comes from the beef herd.



- The majority of beef in England is produced in the South-west, west and northern areas of the country.
- The average beef herd size in Britain is between 28-50 cows although many commercial herds will average 100 cows and more.
- The beef herd is commonly called the suckler herd as the calves they produce are from cows of a beef breed that suckle their calf for between 7 and 10 months.
- After this, the calves are finished for slaughter through a variety of feeding systems. Farmers who run suckler beef herds tend to finish their animals through more extensive feeding systems with extended periods of grazing outside.
- Each beef cow has on average one calf per year and this is their only output, meaning they are valuable and costly animals for a farmer to keep.



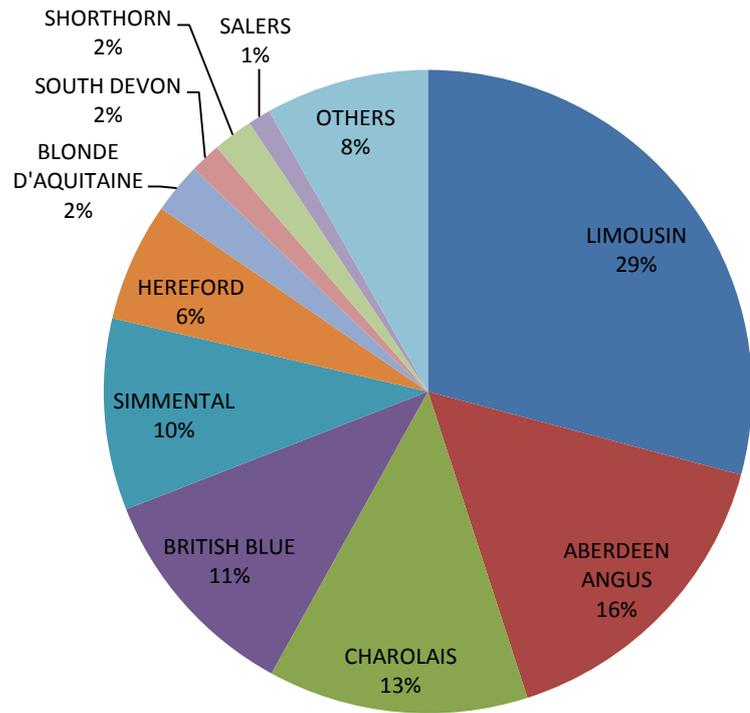
## Breeds

Aside from the dairy breeds in use, there were 87 different beef breeds used on British farms last year.

However, ten beef breeds made up 92% of beef cattle registered.

The most popular beef breeds

1. Limousin
2. Aberdeen Angus
3. Charolais
4. British blue
5. Simmental
6. Hereford
7. Blonde d'Aquitaine
8. South Devon
9. Shorthorn
10. Salers



## The business of beef farming

The beef herd makes up an important part of the character of British agriculture and uses grassland which otherwise would not be suitable for many other enterprises, but margins for beef farmers have been under pressure for years and remain tight, despite the prices rises in the shops recently.

On average, before support from the Common Agricultural Policy (CAP) and any environmental stewardship schemes, last year lowland suckler beef farms lost £236.72 per cow and even the best third lost £58.29 per cow.

Beef farmers in the less favoured areas of the country where agricultural production is more generally more challenging due to geography lost £182.06 per cow on average, although the best and most specialised third of farmers managed to make £7.59 per cow.

From this year, the payments made under CAP will fall for the majority of suckler beef producers. However, the costs of meeting the requirements for that support will increase and fewer farmers will be able to access environmental stewardship payments.

This will mean that farmers have to rely more on the market for the future of their business and with current returns, many suckler beef farmers have concerns that the market will not be able to deliver.

Farming in the UK remains very firmly a family business; 84% of farm businesses are in their 2nd generation or beyond and 31% of farms have been in the same family since 1900.

## Importance to the environment

Livestock farming has shaped the landscape for millennia, with managed grazing playing a key role in retaining the distinctive visual characteristics of the British Isles. Our hills and uplands are home to 40% of beef cows in England and 85% of beef cows in Wales, producing food from grazing land that in most cases cannot be used for arable cropping.

Cattle grazing, which in upland areas predominantly comes from suckler herds, is non-selective and so is a vital tool, used in conjunction with selective grazing from sheep, to create the patchwork of different grasses needed in environmental stewardship schemes. Most of the maintenance of the well-loved upland environment and historical features is done by livestock farmers.

Careful farming is essential to conserve natural habitats, ecosystems and biodiversity as well as structures such as stone walls and traditional farm buildings but to continue to do this in the future, we need a sustainable British suckler herd.

### **Requirements from the beef supply chain for a bright future for suckler herds**

A sustainable beef supply rests on suckler herd investment. The suckler herd has the image that consumers are looking for, with traditional production methods, grass fed animals, largely free-range, with an uplands influence. The supply chain could do far more to trade on these inherent values of the suckler beef system.

- There should be better differentiation between suckler beef and dairy beef in branding and image.
- Better assessment of eating quality – differentiation between good quality and poor quality beef for the consumer.

We need contracts which inspire confidence and share risks – not sole supplier or fixed price and better market information for producers – top, middle and bottom prices, to enable transparent comparison between processors. Farmers also need information on prices in value added markets e.g. Angus, Hereford, Shorthorn.

### **Other actions for all players in the industry which would help to safeguard the sustainability of our suckler herd**

#### **Animal health**

- Co-ordination of health planning programmes and sharing of information.
- TB – real action and investment from government to eradicate TB in cattle and wildlife. Risk based trading progress, development of approved finishing units, more equitable system of valuations.
- A nationwide BVD eradication program with RDPE funding and government commitment to legislation to complete the plan.
- Better feedback from abattoirs to finishers and producers on health problems such as liver fluke

#### **Breeding**

- Coordination of efforts to improve beef cattle fertility
- Require bulls to be fertility tested before sale
- Legally require the ID of the bull on the passport to allow feedback on performance
- Better information to the primary producer on carcase performance – support to use this information for breeding decisions
- Once calved heifer genetic improvement scheme from retailers and processors
- Link producers and finishers to ease information exchange and reduce risk of health problems

#### **Costs of production**

- Access to finance to help working capital requirement
  - Access to finance for stores would release some tied up value

- Trade taking on some risk in the store market
  - Enable co-ordination of producers/finishers
- Access to capital for suckler producers is a major problem but one difficult to address
- Assisting investment in production
  - Agricultural buildings allowance is a key driver
  - Trade investment or negotiated loans within supply chains
  - Investments in cattle handling and weighing facilities – trade, grants, tax relief
- Co-ordinated benchmarking – within producer groups and across industry
- A better government and industry database focusing on information collation and sharing on health and breeding would assist with many of these aims and allow feedback through chains including livestock markets.

### **Summary**

This paper briefly outlines the importance of our suckler herd and the pressures upon suckler producers. We have suggested several initiatives which we believe would help to alleviate some of these pressures and create a framework where our suckler herds could become more profitable and grow. The NFU would be happy to work with partners in industry and government and to further develop these proposals.