



Pig & Poultry Sector

Teagasc Pig + Poultry Departments

Current Situation

- High feed ingredient cost (Jan 2021 – Mar 2022 +33%)
- Low pig & poultry price
- Highest producer losses ever
- 5% of sow herd destocking
- Poultry concern over restocking flocks – Layers & turkeys
- Rising energy costs: up 80-100%

Financial

- Substantial losses for pig & poultry sector
- Average pig farm losing €56,000 per month
- Compound feed price forecast rising +€95/tonne (April-May)
- Average loss rising to €71,000 per month
- Forecast loss €160 million for 300 pig producers
- Mills pig feed credit ~ €85 million
- Access to finance difficult

Key Risks

- Feed Ingredient security of supply – medium term?
- Continued rising ingredients cost – pig & poultry 30% of total compound feed volume
- 20-30% of pig units at risk of closing
- Energy costs?
- Welfare
 - Structured destock need support
- Access to finance
 - Proving very difficult to obtain
 - Unsustainable debt burden

Teagasc Support

- Active engagement with producers
 - Financial projections / cashflow
 - Options – extra finance / restock / close
 - Welfare – engage with DAFM & unit vets, structured destock
 - Emotional support
 - Data dissemination
- Sector data collection & risk analysis
- Active stakeholder engagement – DAFM, Mills, IFA, Banks, Processors

Suggested topics for discussion

▪ Feed

- Pig & poultry security of ingredient supply – how?
- Alternative feed ingredients ?

▪ Finance

- Unsustainable debt burden - €660,000 cash loss/average pig unit (9c/kg to 14c/kg)
 - » Sustainable cashflow support options
 - » Other support options
 - Structured de-stocking (welfare)
 - Restock for individual & national herd health (AMU)

▪ Pig & Poultry Manure - replace chemical fertiliser?

▪ Poultry Data

National Fodder and Food security Committee 11/03/2022



Arable and Horticulture

Current Issues

- Energy supply
 - Glasshouses, mushroom highly dependent
 - Establishment of crops/harvest, grain drying
- Fertiliser availability
 - Reasonable supplies in most tillage farms –Spring cereals ?
 - Horticulture short – hugely important
- Production of potatoes, veg, fruit – growers leaving the industry
 - High costs (€10k -36k /ha +) - highly dependant on inputs
- Spring plantings cereals/hort
 - Normal cereal area will be planted
 - Hort area - cut backs due to prices
- Increasing the tillage sector – cereals
 - As access to land ???
- Planning for next year and beyond
 - Seed stocks for cereal crops, forage crops and horticultural plants

Potential solutions

- Access to land to increase the cereal area
 - Lower stocked grassland - best area to target?
- Efficient use of nitrogen – optimisation on all crops
- Energy supply
 - Spring crop – lower energy establishment systems
 - Wet grain storage (propionic acid) –
- Forage supply for the tillage sector
 - Plant early harvested areas with legume cover crops (grazing in Oct/Nov)
 - Supply of whole crops/other forages – from grassland area
- Horticulture – mitigate energy use (adjust production protocols)
- Equip growers with latest costs and returns
- Promote collaborative solutions to purchasing inputs (PO & other groups)

Teagasc Ongoing

- Optimising rotations and nutrient planning/application
 - Utilise soil results and NMP plans
 - Matching OM between farms
- Tweaking budgets and cash flows for farmers
- Advice on spring planting techniques and best use of organic manures
- Identifying alternative supply lines for horticulture inputs
- Providing intelligence to policy makers

Actions Suggested/ Gaps

- Seed availability for the next few years
 - Increasing cereal area -extra seed 2022/23
 - Supplies of cover crop seeds and treatments product for wet grain storage
 - Identify new plant propagators in Holland/UK
- Access to credit a problem on some farm
- Immediate retailer engagement over prices



Drystock

Silage Fertiliser

RISK: Reduced purchasing of fertiliser over the coming weeks due to a reluctance to buy at current prices or lack of availability.

IMPACT: Delayed spreading date for 1st Cut Silage and/or lower than recommended rates per ha. Leading to lower yields, later cutting dates, lower quality silage, delayed 2nd cuts, shortages of forage this winter.

Teagasc Response:

- Communicate an awareness that farmers need to start purchasing fertiliser
 - - Fodder budgets on clients farms, “Mini” NMP Plans, Aim for 75% of silage in 1st cut.
- Need to make farmers aware of the value of slurry and the need to put it on silage ground where it is most needed
- Currently running 25 beef farm walks in March. Sheep farm walks planned for April
- Need to define our 3 key messages for the next four weeks

Fertiliser on Grazing

RISK: Very small amounts of fertiliser spread on grazing ground to date with significantly reduced rates throughout 2022 due to price.

IMPACT: Inadequate covers in the 2nd grazing round leading to some cattle having to be rehoused. Much lower covers throughout 2022 reducing grass supply and little or no surplus silage being taken from grazing paddocks.

Teagasc Response:

- Encourage drystock farmers to turn stock out to graze as soon as ground conditions allow and to get the first round of fertiliser spread asap.
- Emphasise the increased yields that can be achieved through smaller paddock sizes and reduced numbers of grazing groups.
- Increase the awareness of proper grass utilisation – target pre & post grazing covers
- Increase the levels of lime spread on drystock farms that need it.

Concentrate: Price / Availability

RISK: Increased concentrate price may make it too expensive for drystock farmers and there may be availability issues later in the year.

IMPACT: Less meals fed in the autumn to finish cattle off grass, less meals fed over the winter to weanlings/stores, reduced levels of winter finishing. All impacting the orderly sale of cattle and the average national slaughter age.

Teagasc Response:

- Emphasis the need for drystock farmers to make good quality silage.
- Where top quality silage is needed prioritising at least a proportion of the silage ground to make this high quality silage.
- Have clear messaging on the value of making high quality silage versus the alternative high cost of feeding ration at varying costs per ton.
- Adjust fodder budgets – less ration per head will mean higher silage intakes

Under Finished Stock

RISK: Unproductive cows may be culled early. Stock may be sold before they have adequate fat covers due to high meal prices and or low forage availability

IMPACT: Poorer quality carcasses that are penalised in the market. Lower profit per head on cattle that have the potential to leave beef farmers with lower margins.

Teagasc Response:

- Encourage farmers to identify which stock are priority stock for finishing.
- Encourage the sale of un-finished stock through marts.
- Work closely with the meat processors and marts to co-ordinate the messaging around when cattle should be drafted for slaughter.
- Emphasis the importance again of making high quality silage on these farms

Stress

RISK: Increased stress levels on farms due to rising input prices and cash-flow problems on drystock farms. If winter (2022/23) fodder supplies are low this will exasperate the problem.

IMPACT: Reduced health and welfare of Irish beef and sheep farmers leading to significant long-term issues. Affects will have impacts on whole families with poor decision making outcomes as a result.

Teagasc Response:

- Encourage farmers to complete the “Teagasc 5 Minute Cash Flow Tool”.
- Work closely with all credit institutions to find solutions for short term cash flow issues
- Work closely with NGO’s in the mental health community to involve them in local and national drystock events.
- Train Teagasc advisors how to deal with these issues when they are confronted with them.



Dairy

Update on Current Feed Situation: Dairy Farms

- Current grass covers on dairy farms quite good – 960kg per ha
- However, demand taking off now - high % of cows calved

- Fertilizer N applications have been curtailed somewhat
- Increased use of slurry in spring- dilution offers benefits

- Priority now is N fertilizer for grass growth in March- April
- Responses of >18kg grass per kg N are realistic

- Risk with low N application = less area closed for silage x lower yield per ha
- Silage MIN 100kg N per hectare (80 units/acre) **including** slurry is priority
 - Response rates of 17kg feed per kg N applied up to this level (Range 15-19kg over 14 yr)
- Fuel costs may contribute to lower quantity and quality of silage nationally
 - Maximize pit silage by closing appropriate area for main cuts

- Teagasc campaign on over-sowing clover in April (12 events nationally)

Current fodder supply situation

Enterprise	Region	Winter Fodder balance ¹ %
Dairy	Midlands North East	106
Dairy	North West	110
Dairy	South East	116
Dairy	South West	122
Drystock	Midlands North East	128
Drystock	North West	131
Drystock	South East	134
Drystock	South West	127

- Livestock farms well supplied with silage on average
- Target is 400kg DM (2 bales) reserve per cow equivalent
- However
 - 12% of beef farms had deficit >20%
 - 8% of dairy farms had deficits >20%
- Failure to make a second cut has been a major factor contributing to shortages
- Problems facing these farms in autumn if supply is tight.
- Early communication essential with this cohort
- **Teagasc plan to complete fodder survey in April and July**

Feed and supplementation issues

- Price and availability of concentrate feed is major issues for dairy producers
 - Fertilizer N continues to return more feed DM per unit cost than concentrate
- Relatively strong milk prices may delay changes to supplement rates
 - Teagasc to prepare guidelines on cost : benefit response to supplements fed at grass
- Availability of rations with adequate mineral inclusion at low feeding rates important

- Cost of feeding *marginal* cows
 - Marginal = stock retained beyond forage growing capacity of the farm
 - lower production cows, high SCC etc.
 - typical cost of feeding marginal cow may increase by 40% in 2022 (ex overheads)
 - analysis of options on an individual farm basis advised

- Crop trading
 - Risk of short-term 'silage on the stem' trading arrangements being reduced
 - Requirement for catch crop initiative- review after second fodder survey
 - Contracts and costings essential for whole-crop silage/grazing crop trading with growers

Finance and Management on dairy farms

- Merchant credit an issue
 - Fertilizer N and feed purchases at critically important time of year
 - Fuel cost and general input costs significantly increased
- Lime application post-silage cutting a means of increasing available nutrients
 - May be considered limited by cash flow at farm level
- Capital project budgets/costs rising extremely sharply
- Cash flow planning on dairy farms essential- Teagasc campaign being planned
- Fuel, feed and fertilizer markets- regular communication with farmers essential to promote better decision making
- Labour- availability of quality labour a critical issue on many farms. Adding stress to already-stressed businesses.