

Economic aspects of suckling cow production systems in Slovakia



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OBJECTIVE

The aim of this study was to analyse economics of cow-calves system and to define the optimal realization price of calves to reach a positive economic result in the production conditions of Slovakia based on real economic results achieved on the evaluated farms (n=5) in 2010.

MATERIAL AND METHODS

- the annual costs per suckler cow were 818 € (i.e. 2.24 €.day⁻¹)
- first model (VAR1)
 - selling of weaned calves at the age of 8 months (end of a grazing period)
 - live weight (LW) of calves at sale 280 kg, average daily gain (ADG) 1000g.day⁻¹, realization price 2.45 € per 1 kg of LW on average
- second model (VAR2)
 - direct sale of meat from fattened calves to consumers
 - fattening of calves to early December (8 kg of silage and 2 kg of grain feed as the average daily feeding ration) in addition to grazing and suckling mother's milk
 - slaughtering in LW of calves at sale of about 405 kg (about 235 kg of meat with bones), ADG of calves 1300 g.day⁻¹
 - realization price of meat 6.0 €.kg⁻¹ (acceptable by consumers)
 - increase of average costs by 0.3 €.day⁻¹ to 2.54 €.day⁻¹ due to fattening of calves
- basic natural-production indicators (biological potential) used in both models:
 - fertility of cows at 100 born calves per 100 cows
 - average losses of calves from birth to weaning at 3%
 - average culling of cows at 15%
 - selling of 82 calves per 100 cows and year

RESULTS

Based on defined economic and natural-production parameters it is impossible to achieve the positive economic result without considering the subsidies in most of suckling herds (VAR1). Breeding of calves finishing as slaughter animals could be profitable (VAR2) due to the higher realization price (Table 1 and 2).

CONCLUSION

The minimal realization price 3.56 €.kg⁻¹ of LW (VAR1) and 5.33 €.kg⁻¹ of meat of calves (VAR2) should be applied to achieve the zero economic result in suckling cow production systems in Slovakia.

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Table 1: Economic result in the suckler cows breeding at sale of live calves (VAR1) and sale of meat (VAR2) excluding subsidies

Parameter	Biological potential indicators	
	VAR1	VAR2
Annual costs per cow without DFA* (€)	818	927
Average weight of live calves / meat with bones at sale (kg)	280	405 / 235 (meat with bones)
Average realization price per 1 kg of LW of live calves / meat with bones at sale (€)	2.45	6.00
Average slaughtering costs per calf including transport to the slaughterhouse (€)	-	100
Revenues from sale of live calves per cow / sale of the meat with bones after deduction of costs for transport and slaughtering (€)	563	1056
Economic result per cow excluding subsidies (€)	-255	129

*depreciation of fixed assets



Table 2: The minimal realization price of live calves (VAR1) and of meat with bones (VAR2) at sale to achieve zero profit excluding subsidies

Parameter	Biological potential indicators	
	VAR1	VAR2
Annual costs per cow without DFA* (€)	818	927
Average weight of live calves / meat with bones at sale (kg)	280	235
Average realization price per 1 kg of LW of live calves / meat with bones at sale (€)	3.56	5.33
Average slaughtering costs per calf including transport to the slaughterhouse (€)	-	100
Revenues from sale of live calves per cow / sale of the meat with bones after deduction of costs for transport and slaughtering (€)	818	927
Economic result per cow excluding subsidies (€)	0	0

*depreciation of fixed assets