

Grain fed beef serves up major milestones to close out 2021

The record-breaking run for grain fed beef continued in the final quarter of 2021, with several major milestones.

From October to December, grain fed beef accounted for 54.5% of total beef production – up from the five-year average of 44.8%.

During the same period, grain fed represented over 50% of the cattle slaughtered in Australia for the first time ever, and feedlot capacity hit a record high of 1,453,580 head.

Australian Lot Feeders' Association President Barb Madden said the figures represented an exciting milestone for the sector.

"While the results are indicative of the current trading conditions and supply movements, they also reflect the ability of the lot feeding sector to consistently meet the demand from domestic and international markets for quality grain fed beef," Ms Madden said.

Cattle on feed for the October to December 2021 quarter increased to 1,159,991 head, a 40,898 head increase from September, according to the latest results of the ALFA and Meat & Livestock Australia (MLA) survey.

New South Wales, South Australia and Western Australia all recorded increases in cattle numbers on feed. New South Wales increased by 28,608 head, or 9.5%, to 330,977 head; South Australia increased by 7,769 head (21.4%), to 44,096 head; and, Western Australia increased by 11,359 head (39.4%), to 40,193 head.

Queensland cattle numbers on feed remained relatively stable, decreasing by only 830 head (0.1%), to 689,399 head. Victoria recorded a decrease in cattle numbers on feed, down by 6,008 head (9.8%) to 55,326 head.

Ms Madden said the number of cattle on feed and rise in feedlot capacity demonstrated continued confidence in the long-term future of the industry.

"Grain fed cattle representing over 50% of the total slaughter in Australia in a quarter reinforces, and builds on, the trends we have seen throughout the year – that feedlots are providing continuity of supply in a period of low production and slaughter," Ms Madden said.

"Utilisation for the December 2021 quarter rose by 3%, to 80%. This has been achieved in a period when total capacity hit an all-time record high of 1,453,580, meaning feedlots are able to fill the extra pens that are coming online."

Steve Bignell, MLA Market Information Manager, said lot feeders were also behind the new record male carcass weights being achieved nationally (343.1kg/head) and in Queensland, Tasmania, WA, Victoria and SA.

Mr Bignell said the growing difference between feeder steer prices and grass-fed bullock prices was providing producers with an incentive to send males into the feedlot system.

"The Queensland 100-day grain fed steer OTH price averaged 723.04c/kg cwt in the December quarter. This was the first time that this indicator had reached levels above \$7," Mr Bignell said.

"As we head into 2022, the grain fed sector is positioned very well - supply is up, capacity is up, and prices are high."

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NUMBERS ON FEED

Quarter	NSW	VIC	QLD	SA	WA	Total
Dec-21	330,977	55,326	689,399	44,096	40,193	1,159,991
Sep-21	302,369	61,334	690,229	36,327	28,834	1,119,093
Dec-20	314,281	56,816	588,692	42,216	46,302	1,048,306

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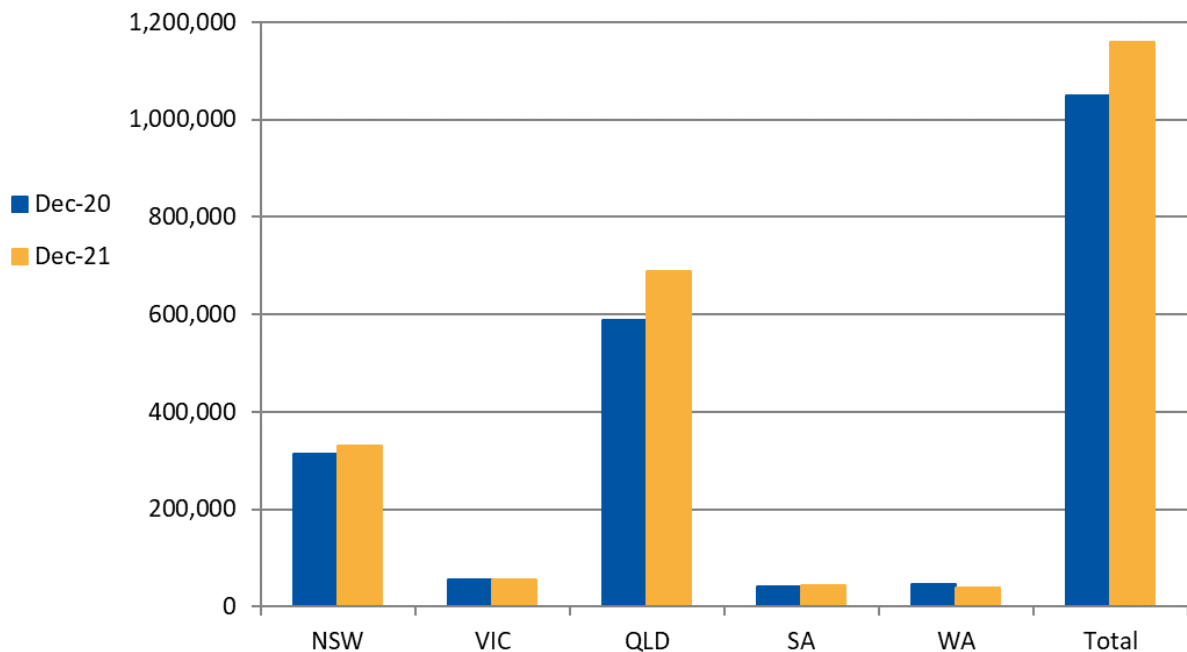
Quarter	NSW	VIC	QLD	SA	WA	Total
Dec-21	175,266	38,153	475,175	18,970	18,505	726,069
Sep-21	185,405	44,960	410,750	26,974	40,282	708,371
Dec-20	175,172	33,084	409,843	22,588	8,554	649,240

CAPACITY

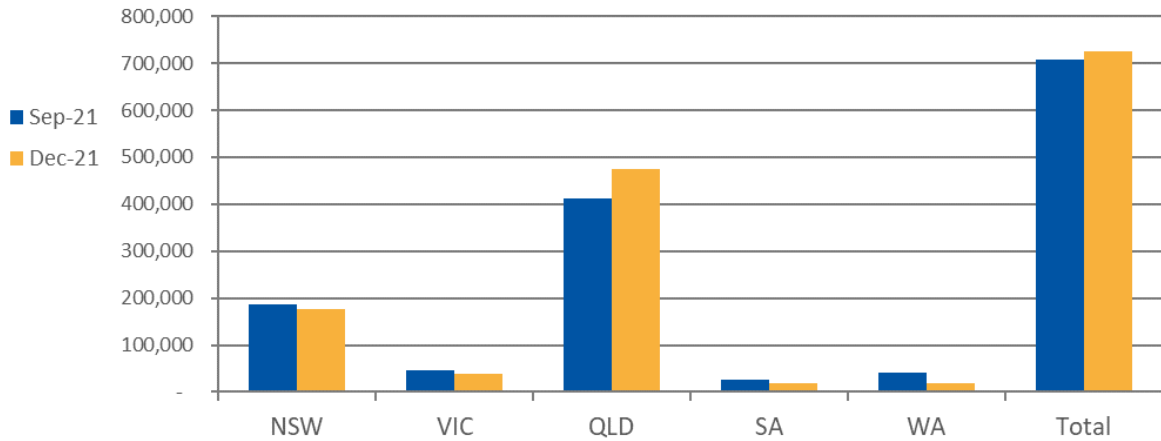
Quarter	NSW	VIC	QLD	SA	WA	Total
Dec-21	421,863	78,892	826,284	53,414	73,127	1,453,580
Sep-21	414,263	78,892	827,270	53,814	73,477	1,447,716
Dec-20	408,277	79,392	830,376	53,614	73,477	1,445,136

Source: Feedlot Capacity figures are provided by AUS-MEAT Limited (AUS-MEAT). AUS-MEAT owns and administers the National Feedlot Accreditation Scheme (NFAS) on behalf of ALFA and the feedlot sector. Actual Feedlot Capacity figures are reported under the NFAS.

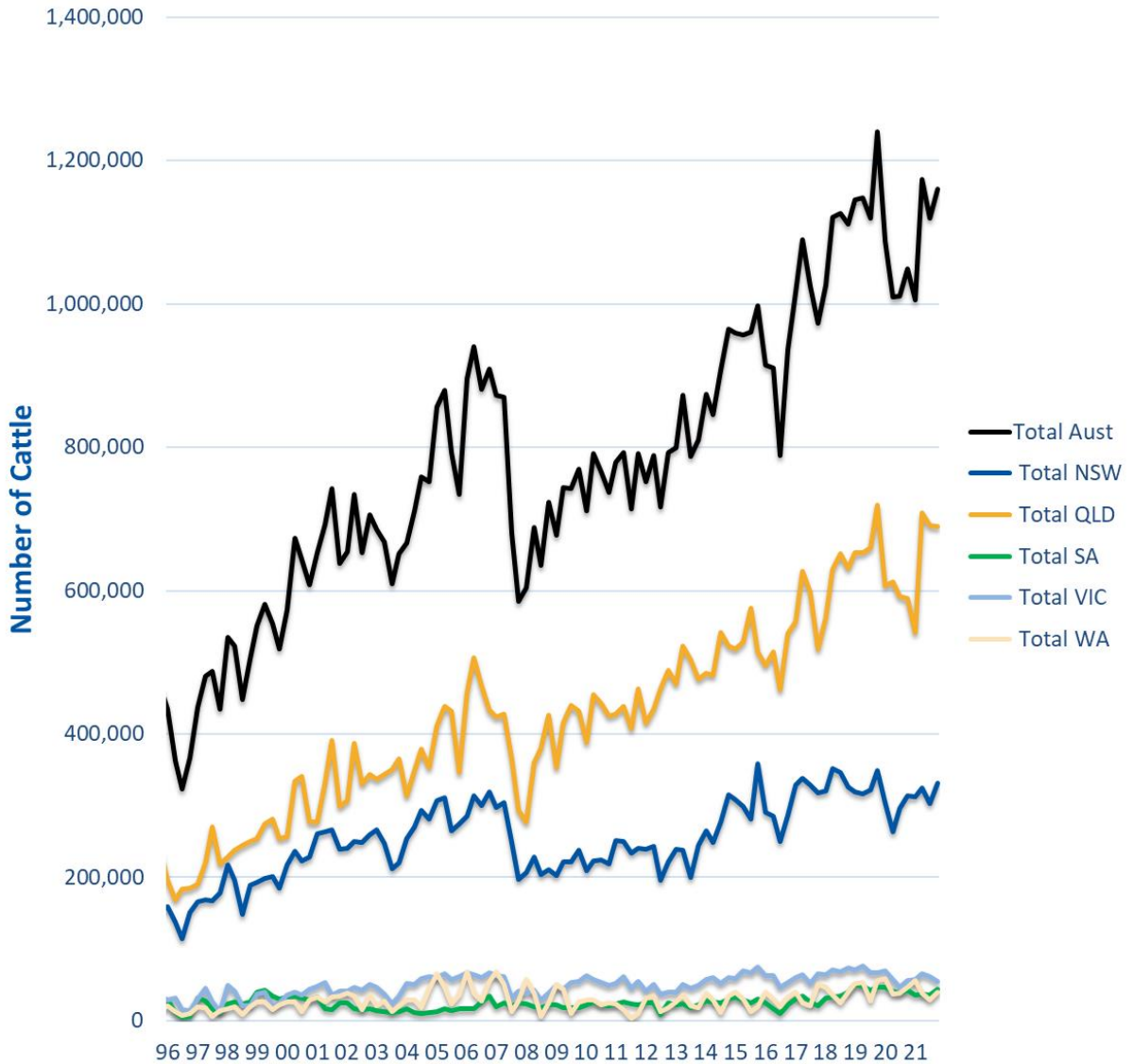
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CATTLE NUMBERS ON FEED - HISTORIC



	Numbers on Feed Dec 21	Numbers on Feed Sep 21	Numbers on Feed Dec 20
New South Wales			
Less than 500 head	0	520	520
500 -1000 head	8,755	4,688	4,421
1001 - 10,000 head	108,023	101,972	108,561
over 10,000 head	214,199	195,189	200,778
State Total	330,977	302,369	314,281
Queensland			
Less than 500 head	4,076	4,197	4,136
500 -1000 head	14,345	20,615	16,497
1001 - 10,000 head	146,750	160,532	141,254
over 10,000 head	524,228	504,885	426,804
State Total	689,399	690,229	588,692
Victoria			
Less than 500 head	0	0	0
500 -1000 head	4,054	4,139	3,271
1001 - 10,000 head	15,370	19,687	21,178
over 10,000 head	35,902	37,508	32,368
State Total	55,326	61,334	56,816
South Australia			
Less than 500 head	580	789	960
500 -1000 head	4,387	3,936	3,161
1001 - 10,000 head	22,629	16,602	20,595
over 10,000 head	16,500	15,000	17,500
State Total	44,096	36,327	42,216
Western Australia			
Less than 500 head	999	0	2,380
500 -1000 head	1,760	2,103	4,040
1001 - 10,000 head	37,434	26,731	39,882
over 10,000 head	0	0	0
State Total	40,193	28,834	46,302
Australia			
Less than 500 head	5,655	5,506	7,995
500 -1000 head	33,301	35,481	31,390
1001 - 10,000 head	330,206	325,524	331,470
over 10,000 head	790,829	752,582	677,450
Total	1,159,991	1,119,093	1,048,306

Note: Due to rounding, numbers presented throughout this document may not add up to the totals.