

# GENERAL AGREEMENT ON

RESTRICTED

IMC/W/65/Corr.1

6 June 1988

## TARIFFS AND TRADE

Special Distribution

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International Meat Council  
Eighteenth Meeting  
16 and 17 June 1988

### SITUATION AND OUTLOOK IN THE INTERNATIONAL MEAT MARKETS

Note by the Secretariat

Corrigendum

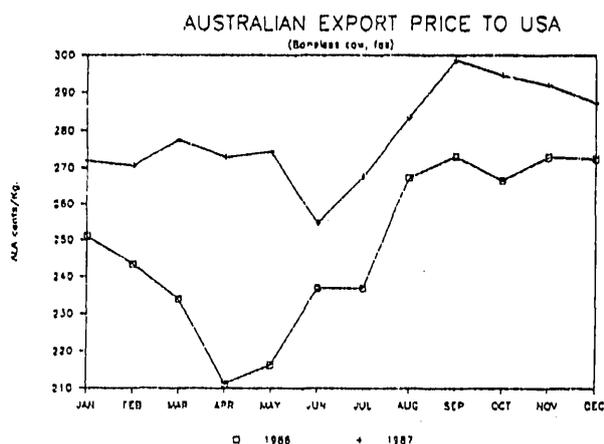
The text and table concerning Australia, pages 31 and 32, paragraphs 56 to 58, should be replaced by the following.

#### AUSTRALIA

56. According to preliminary data for the last 31 March cattle census, Australian cattle numbers, at 23,461,000 head, fell marginally last year due to a 2.8 per cent rise in total adult male cattle slaughter in response to strong beef prices. Indeed, a slight drop in female cattle slaughter (whose share in the total slaughter mix fell in 1987 to 44.2 per cent from 45.5 per cent in 1986) and a 6 per cent decrease in calf slaughter suggest that herd rebuilding, initiated in 1985 and briefly interrupted in 1986, has again slowed. Estimates for 1988 indicate that cattle slaughter may fall by some 3 per cent.

57. Beef production rose by almost 5 per cent in 1987, to 1.5 million tons. A stronger percentage of adult male cattle in the slaughter mix and higher slaughter weights allowed this significant production rise, provoked by strong import demand from Australia's two major markets, the United States and Japan. Estimates for 1988 put production slightly above the 1987 level due to producer response to prices and to dry seasonal conditions in the early months of 1988. Beef and veal per capita consumption fell by 7 per cent in 1987, to 38.7 kg. Strong export demand, consequently higher retail prices and, to some extent, competition, especially from poultry meat and pigmeat, explain this evolution. Per capita lamb consumption, 23.1 kg., fell by roughly the same percentage as beef and veal, reflecting sharply higher retail prices (+16 per cent) due to strong export demand and high wool prices. It is worth noting that for the first time it was surpassed by poultry meat consumption (24.3 kg., +5 per cent) and, according to forecasts, this tendency will accentuate in the years to come (in 1990 poultry meat consumption should reach 27.8 kg., while sheepmeat intake should fall to 21.8 kg.).

58. With 908,000 tons of beef sold abroad, up by almost 10 per cent, Australia became again the first world exporter of bovine meat last year. Exports of chilled and frozen beef (the bulk of Australian exports) rose to all major markets: Japan (+9.5 per cent), Canada (+1 per cent) and essentially to the United States (+16.6 per cent), by far its major client (62 per cent of total frozen beef exports). As mentioned above, strong demand from both the United States and Japan and higher export prices, also supported by the decline of the Australian dollar, encouraged exports. For example, the drop of the Australian currency and rising feeder calf prices in the United States resulted in a 12.2 per cent increase in Australian boneless cow export prices to that country. Exports are forecast to continue to increase in 1988 following higher production in the first quarter, but achievement of the forecast will be affected by movements in the exchange rate for the Australian dollar over the remainder of the year.



	1986	1987	%Change 1987/86	Forecast 1988	%Change 1988/87
Cattle and calf numbers <sup>1/</sup> :	23,436.0	23,538.0	0.4	23,461.0	-0.3
Beef and veal <sup>2/</sup> :					
Production	1,476.2	1,547.6	4.8	1,556.0	0.5
Consumption	665.0	638.0	-4.1	626.0	-1.9
Exports	829.0	908.0	9.5	930.0	+2.4

<sup>1/</sup>000 head, 31 March      <sup>2/</sup>000 tons