

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

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Arrangement Regarding Bovine Meat
Thirty-First Meeting
16 December 1994

MEAT CONSUMPTION TRENDS

At the twenty-seventh meeting of the Meat Market Analysis Group, held on 15-16 June 1994, participants agreed to reply to a questionnaire regarding meat consumption trends on a voluntary basis (IMC/W/97). The documents containing the replies to this questionnaire are circulated on a country-by-country basis under the document series IMC/W/-.

AUSTRALIA

Question 1

Is meat the major source of animal proteins in your country? How does it compare with other animal protein sources such as fish? Have there been any changes in the relation of the consumption of meat and other animal proteins? Why?

Meat is a major source of animal proteins in Australia. Overall consumption of animal protein, including fish, is forecast to remain at current levels. However, the level of specific sources of animal protein may vary, e.g. protein sourced from red meat may decline.

The following tables show comparisons with other animal foodstuffs some of which are high in protein.

Total Apparent Consumption of Meat - Year Ended June

Class of Meat Per capita	1989	1990	1991	1992	1993
	Kilograms carcass weight				
Beef and Veal	41.1	40.8	40.7	37.4	37.1
Mutton	6.8	8.2	7.7	7.6	8.3
Lamb	14.9	14.8	14.1	13.4	12.5
Pigmeat	18.1	18.4	18.0	19.3	18.9
Offal and meat NEI	2.6	2.7	3.8	3.3	2.5
Total	83.4	85.1	84.3	81.1	79.6

Estimated Consumption of Selected Foodstuffs - Year Ended June

Commodity Per capita	1989	1990	1991	1992	1993
Poultry dressed weight (kg.)	24.7	24.6	24.9	25.8	26.5
Butter (kg.)	2.9	2.9	2.6	2.6	2.6
Margarine, table or other (kg.)	9.0	8.6	8.5	8.5	8.1
Cheese (kg.)	9.0	8.8	8.7	8.8	9.0
Whole milk (litre)	101.0	100.8	101.0	101.4	101.2

NEI - Note elsewhere included

Source: ABS.

There have not been obvious changes in the consumption of meat in relation to other animal proteins in recent years.

It should be noted, when referring to the above tables, that there is not necessarily a correlation between figures. For example, the rise in consumption of cheese may not be directly related to a drop in consumption of red meat.

The consumption of meat has in the past been affected by cautionary spending patterns by consumers, which has resulted in meat products such as beef and lamb being replaced by products which are perceived as being better value for money. More recently, consumers are increasingly choosing meat and meat cuts that are perceived as being easier to prepare and better for you, e.g. poultry meat and vegetables.

Fish is not a major source of animal protein in Australia. Most Australian produced seafood is sold in fresh chilled form in relatively small volumes (but with high frequency) through a large number of traders, including restaurants, caterers, takeaway outlets and fishmongers. With relatively low per person consumption of seafood, a substantial proportion of which is consumed outside the home (Table 1), it is difficult to achieve selling efficiencies.

There is evidence that the rise in seafood consumption has been mainly due to "out of home" eating trends.

TABLE 1
Australian Seafood Consumption 1977 and 1991

Per capita In home		Fish		Seafood	
		1977	1991	1977	1991
		(Kilograms)			
	Fresh and frozen	2.9	4.26	0.8	0.68
	Frozen packed	0.9	0.37	0.09	0.06
	Canned	1.81	1.39	0.12	0.05
	Other				
	Total	5.95	6.94	1.03	1.11
Out of home					
Total		7.8	9.3	2.27	2.75

Source: Fisheries Research and Development Corporation (1992).

Question 2

Which type of meat has traditionally the consumers' preference in your country? Why?

Red meat has traditionally been the consumers' preference in Australia, a trend which has only changed slightly in recent years. The second preference is poultry meat.

Eating red meat has traditionally been part of the Australian culture. This is mainly due to the availability of the product, the ease with which it can be cooked and value for money.

The poultry meat industry has, over the years, included as part of its marketing programme low product price and the wider variety of cuts.

Due to a number of reasons such as increased awareness of nutrition and health, consumer attitudes towards various meats have changed. People now consider many factors in their choice of meat and are more likely to choose alternatives to traditional meals.

Question 3

Do meat consumption *trends* in your country correspond to the general trend described above (see IMC/W/97), i.e. a shift away from red meat consumption to white meat, in particular poultry meat? Please provide evidence.

As detailed above, Australians are moving away from their traditional meat preferences. Available figures and information, in relation to meat consumption, are inconclusive. However, the figures do appear to indicate decreasing meat consumption over the long term.

Changes in consumption trends are the result of increased information and choice, promotional activities and price. Recent research has shown that a significant percentage of people have changed their meat consumption patterns in recent years. Central to these changes has been the need for a balanced and healthy diet. There has been a slight shift away from red meat with gains in consumption of poultry meat, vegetables and other complex carbohydrates.

Question 4

Which factors among those cited above (see IMC/W/97) (and/or others) affected beef and veal consumption the most in your country? Please elaborate. For example, the following factors and their changes are frequently identified as significantly affecting beef and veal consumption: beef prices; disposable household income; relative prices of other meats; population growth; age structure of the population; health considerations (including those related with production methods); product image; animal welfare concerns. What is the role of those factors: What other factors are relevant?

The following factors have the greatest affect on beef and veal consumption patterns in Australia: beef prices, relative prices of other meats, health considerations, product image and quality. Beef prices and animal welfare concerns are also relevant factors. The affect of these factors on beef consumption levels varies across age, cultural and social groups in Australia.

Relative prices of other meats - Changes in beef prices relative to other meats affect beef consumption levels. While beef has traditionally been the consumers' preference in Australia, the relative and more attractive price of other meats has contributed to increases in their consumption.

Health considerations - Various health considerations may either encourage or discourage the consumption of beef. It may also encourage substitution of other meats. The following factors are of particular concern to Australian consumers: chemical content, integrity of the food (processing, nutritional value), fat and cholesterol content. Recent promotion of lean beef as a good source of dietary iron has had a positive effect on people's perception of beef.

Product image and quality - Product image is important in promoting the consumption of beef in Australia. Advertising plays a key role in product choice in Australian society. Promotional activities are also important in countering adverse product image. As detailed under question 7 the Australian Meat and Livestock Corporation (AMLC) undertakes extensive generic beef promotion.

Question 5

Is there any relationship between beef trade and domestic beef consumption in your country? Please elaborate.

Prices are a factor in changes to domestic beef consumption patterns. The Australian beef industry is highly export oriented. In 1993-94 Australia exported over 65 per cent (1,200 kt cwe) of beef and veal production (1,800 kt cwe). As a result, domestic beef prices are affected by factors such as exchange rates, world beef prices and, the level of and demand for exports. The inter-relationship between these factors may also influence domestic beef prices. For example the responsiveness of domestic beef prices to an exchange rate change depends to a degree on the supply and demand conditions in the world beef market.

Question 6

Are there any policies or other measures in force directed at affecting beef consumption and/or retail beef prices in your country? In the affirmative, please describe the type of measures and the rationale behind them.

There are no specific Government policies in force that affect beef consumption or prices in Australia. It is a totally free market except where there are health regulations on meat products.

However, through methods such as promotional and marketing activities, the AMLC promotes the consumption of meat to audiences both in Australia and overseas.

- The AMLC is a statutory authority, funded entirely by industry levies, established with the prime responsibility of marketing Australian meat and livestock.

Question 7

Are there other types of measures designed to stimulating meat consumption (promotion campaigns in fairs, audiovisual promotion, particular marketing techniques)? For all types of meat or for a particular type of meat? Please specify.

An important part of the AMLC's role is to promote the meat and livestock industry. Approximately 80 per cent of the AMLC's domestic and export marketing outlay goes into promotion campaigns with the remainder on publications.

Promotional activities occur through attendance at agricultural shows, supermarkets, media advertising and home economics in schools.

Advertising campaigns, run either on the television or in magazine/newspaper publications, generally promote a particular type of meat. For example, a recent campaign was run promoting three inherent beef benefits for women: its great taste and versatility along with its high iron content. A separate promotion was run promoting new trim lamb cuts called the Trim Lamb campaign, and the Australian Pork Corporation promoted pork with the catchcry - Put Fork on Your Fork.

The AMLC also sponsor a rural television programme seen in all states. At the same time it maintains close contact with all media through news releases and, wherever possible, direct contact with media personnel.

Question 8

Retail trade practices are changing fast in a rising number of countries. Butcheries are being affected by competition from supermarkets and hypermarkets. Is this the case in your country? How is it affecting meat consumption in general, and beef and veal in particular? Is meat quality being affected?

Butchers and supermarkets throughout Australia have a substantial impact on consumer buying behaviour. Together these outlets account for about 70 per cent of beef consumed on the domestic market and similarly the bulk of lamb.

Recent research on grocery consumption patterns in three major cities, revealed that butchers are favoured by 60 per cent of women and supermarkets by 37 per cent. However, 80 per cent of women indicated they regularly used butchers and 60 per cent regularly used supermarkets. Therefore while butchers are still the main retail outlet for meat in Australia, supermarkets have a substantial market share and there is a considerable level of crossover.

Although convenience and price play a part in influencing the choice of outlet, the survey identified a number of other factors such as choice, quantity, packaging, freshness, better quality and service. The survey also showed that shopping at the butchers was preferred under "choice" but that both butchers and supermarkets came out fairly evenly under "service".

There does not appear to be any link between consumption patterns and purchase outlet. Changes in retail trade practices do not appear to be affecting meat quality.

Question 9

Is the catering market an area of expansion in your domestic market? How does it affect the consumption of the different types of meat?

Australia has a large and expanding food service industry which does have some affect on market meat consumption patterns. It is difficult to measure the affect, however, common use of a particular meat cut by the food service industry may influence wider eating trends.

The major trend affecting the food service industry today is customer demand for light, fresh, nutritionally-balanced foods. The use of chilled product, rather than frozen, offers convenience in the preparation and presentation of meat without compromising quality. These sorts of demands impact on what meat product is used.

Chefs' meat needs have changed in the past five years. They are now more knowledgeable and discerning about meat, are more likely to voice an opinion, and are generally more demanding in areas such as portion control and fat trimming.

Question 10

Could you forward to the Secretariat any study/document, official or non-official, which your authorities believe might be helpful for a better assessment and understanding of meat consumption trends in your country?

Australia forwarded a number of publications regarding meat consumption to the Secretariat.