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EDITORIAL

THE AUSTRALIAN BEEF CATTLE INDUSTRY.

Under the terms of the current Fifteen-Year Agreement for the sale of meat to the United Kingdom, Australia has assumed an obligation "to use its best endeavours not only to maintain the present volume of exports but to bring about steadily increasing exports of meat to the United Kingdom and to this end to promote developmental programmes."

An expansion in meat production is also required to meet the needs of the rapidly-increasing Australian population, for, although there has been a marked reduction in consumption of meat per capita since the pre-war period, the total consumption of meat has been rising steadily in recent years and in 1953-54 reached a record level. Meat production also attained a record level in 1953-54 but, owing to increased local consumption in the post-war period, exports in recent years have been below the peak levels reached in the pre-war era.

Beef and veal normally account for more than 60 per cent. of Australia's meat output and for over two-thirds of our meat exports, and although in the more immediate future the potential for increased output of mutton and lamb is almost certainly greater than for beef, the beef cattle industry has a vital part to play in the expansion of Australian food production.

Beef is one of the relatively few foodstuffs with export market prospects which can be regarded with some optimism. However, as with many other commodities, quality is likely to prove the vital factor which, in the longer term, will govern our success in those markets.

The present United Kingdom contract provides an assured outlet for Australian beef for more than a decade. The contract also provides some incentive for quality, and now that meat rationing has been abolished in the United Kingdom and marketing has been returned to a trader-to-trader basis, it appears likely that quality will play a much more important part in determining returns to the producer than it did in the period of government-to-government trading, which began with the outbreak of World War II.

It is vital, therefore, that action be taken not only to expand Australian beef production as quickly and as economically as possible but also that considerable attention should at the same time be given to the production of the highest quality beef so that this country can compete more adequately with United Kingdom beef producers and with other major beef exporters, such as the Argentine.

It is rather surprising that the 1957-58 production aim for beef and veal set by the Commonwealth in 1952 provided for an expansion in beef and veal production of little more than 10 per cent. on 1947-50 levels. This production aim—of 672,000 tons—has been exceeded in the last two seasons.

The Australian beef cattle industry is situated largely in Northern Australia (mainly in Queensland) and in New South Wales, with a significant proportion of beef and veal production coming also from the intensive dairying areas of Victoria. For some time past the Commonwealth has been investigating the prospects of increasing beef production

in the Northern Territory and in Queensland. While there can be no doubt that there is great potential for an expansion of beef raising in Northern Australia, it is equally certain (but not as widely publicized) that the scale of beef production in New South Wales can be increased quite substantially. Furthermore—and this is of considerable practical importance—this expansion can take place more easily and more rapidly than that in the remoter areas of Northern Australia.

With a view to making some assessment of the potential for an expansion of beef production in New South Wales, and of examining some of the problems which may be inhibiting expansion, reconnaissance surveys have been undertaken in this State in collaboration with the Commonwealth Bureau of Agricultural Economics. A report on the beef cattle industry in the major producing areas of north-eastern New South Wales has already been published in this journal, and in this present issue a further report dealing with beef production in the north-west of the State is presented.

In recent years there has been a substantial increase in the number of beef cattle and in the production of beef and veal in this State, and these reports suggest that the expansion which has been apparent in the post-war period is likely to continue; slowly, perhaps, in the absence of positive measures designed to encourage beef production. The problems of the industry vary greatly from district to district. Although there are a number of specialized beef-producing properties in New South Wales, particularly in the north-eastern section of the State, for the most part the industry is carried on in association with other enterprises; particularly with wheat/sheep farming, sheep grazing and dairying, and the problems facing cattle raisers naturally vary, depending upon the place of the cattle enterprise in their farm economy.

Any expansion which may take place in the future will undoubtedly be determined to a very considerable extent by the relative prices obtainable for beef and for other competing products, especially for fat lambs. However, price is far from being the only factor which will determine the rate of future expansion of the industry. For instance, it is clear that, in the north-east of this State, in many parts of which there is no practical alternative form of land use, there are a number of technical problems to be overcome and these will involve considerable research. On the other hand, the expansion in beef production in the sheep and mixed farming areas of the State has occurred largely as the result of the trend towards pasture improvement which has been so apparent in the post-war period. A limited number of cattle are essential to the management of pastures on sheep and mixed farming properties where extensive pasture improvement is undertaken, and consequently as pasture improvement continues to increase, there is likely to be a further expansion of cattle numbers almost irrespective of relative price levels for beef and other commodities. However, more attractive prices for beef could greatly increase the number of cattle carried in the mixed farming areas of the State.