



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

*A Commodity Review.***MEAT.**

Meat is one of the most important primary products in which Australia has a large international trade. As in the case of most other commodities, the demand for meat and meat products is far greater than the present world position of supply, with the result that all Australian meat exports, whether in the form of beef, mutton, lamb or pork, have a ready market. It is proposed to review briefly the overseas position and then to examine the latest available information on trends in the production and consumption of meat within Australia, with particular reference, finally, to New South Wales.

THE WORLD POSITION

In the "Review of Marketing and Agricultural Economics" of September, 1947 (Vol. 15, No. 9), an article entitled "World Meat Production and Consumption" outlined the major trends in other countries in the supply of and demand for meat. In order to bring this information up to date, it is necessary to refer to certain changes which have occurred in the more important meat-producing areas.

(a) Production.

In Great Britain efforts are still being made to lift production back at least to the pre-war level as soon as possible. In 1947, the British Food Minister stated that the nation was 400,000 tons short in home meat production, which had been dislocated by the war effort. It is not expected that any rapid improvement will take place and, in spite of the improvements which have occurred, Great Britain is still as dependent on foreign imports of meat as she was at the cessation of hostilities. The position in the United States is that more meat was produced in the second half of 1947 than in the corresponding period of 1946. Civilian meat supplies for 1947 were expected to equal fully those of 1946 when the average consumption per head was 153 lb., compared with an average of 134 lb. in the years 1937 to 1941. Both cattle and calf slaughtering reached new records in the first half of 1947, but the number of cattle on holdings showed a decline. The 1947 lamb crop, however, was the smallest in nearly a quarter of a century, totalling only 22,000,000, which was 9 per cent. smaller than the 1946 figure and 26 per cent. below the 1936-45 figure. The 1947 pig crop totalled 84,000,000 head, which represented an increase of only about 1 per cent. over the previous year. It was expected that the farrowing of the spring, 1948, would be responsible for a general decrease of from 8 per cent. to 11 per cent. in pig crop numbers. However, a recent message from Washington indicates that the United States has over one billion pounds of all meats in storage.

The only recent figures received from Argentina relate to pig slaughtering which, for the eight months ended August, 1947, were only 550,000, indicating a very considerable decrease on the figures of previous years.

From New Zealand figures have been received on the lambing estimates for 1947. The estimate is given as 93.11 per cent. and is the highest on record. It is expected that the Dominion will

produce over 19,000,000 lambs for the season. The following table shows clearly the greatly-increased lamb production of New Zealand compared with previous figures for the first three months of the new season.

| Class. | Slaughterings. | | Stocks on hand at— | | Shipments Oct.-Dec., 1947. |
|---|---------------------|---------------------|--------------------|-----------|----------------------------------|
| | Oct.-Dec., 1947. | Oct.-Dec., 1946. | 3/1/48. | 28/12/46. | |
| Beef (quarters) | 40,590 | 37,725 | 66,620 | 35,762 | 287,564 |
| Mutton (carcases) | 164,129 | 172,464 | 208,680 | 126,385 | 615,753 |
| Lamb (carcases) | 2,070,579 | 1,496,200 | 2,103,378 | 1,403,395 | 1,812,140 |
| Pork (carcases) | 54,988 | 52,626 | 32,830 | 40,847 | 51,068 |
| Boneless Beef (freight carcasses) ... | 61,812 | 99,297 | 54,250 | 93,346 | 99,998 |
| Boneless Bobby Veal (freight carcasses) | 62,416 | 55,341 | 43,553 | 69,692 | 224,014 |
| Sundries (freight carcasses) | 68,063 | 49,588 | 64,995 | 49,289 | 78,136 |
| Total in freight carcasses (60 lb.) | 1,784,931 | 1,450,485 | 1,804,521 | 1,323,380 | |

(Australian Meat Board.)

(b) Consumption.

The pattern of world consumption of meat continues to indicate very grave shortages. Even in the United States shortages of beef and other meats are being experienced. A middle road example between the two extremes of almost absolute lack of meat and the situation in countries fairly well supplied is that of Great Britain. In 1947 Great Britain, in order to give her people one shilling's worth of carcase meat per head per week needed 30,000 tons per week. In 1946, Australia sent her seven weeks' supply and New Zealand sent eleven weeks' supply. In 1947, Britain produced about twenty-one weeks' supply and this, when totalled with quantities likely to be received from Empire resources, was only thirty-nine weeks' supply. The gap had to be bridged as far as possible by imports from dollar areas, notably South America. These figures indicate the very great leeway which British domestic production has to attempt to make up and is the explanation for the view that Great Britain would take more meat from Australia if it could be obtained. The actual figures of Great Britain's imports are given in the following tables, the first of which indicates the gross quantities of the various types of meat imported into the country, and the second table showing the country of origin and quantity supplied:—

UNITED KINGDOM IMPORTS.

Total Imports.

(Long tons.)

| Class. | December, 1947. | 12 months, January to December, | |
|---------------------------|--------------------|------------------------------------|-----------|
| | | 1946. | 1947. |
| Beef, Veal | 59,007 | 406,680 | 510,572 |
| Mutton | 7,738 | 129,357 | 116,744 |
| Lamb | 24,887 | 281,905 | 309,796 |
| Pig meat | 8,868 | 258,656 | 146,179 |
| Offal, all classes | 5,534 | 40,800 | 56,829 |
| Canned Meat | 13,127 | 185,510 | 182,497 |
| Total—All Classes ... | 130,179 | 1,357,052 | 1,403,127 |

Note.—Total, all classes, includes rabbits, poultry and game (fresh, frozen, and canned), and extracts and essences.

Total Imports.

(Long tons.)

| From— | December, 1947. | 12 months Jan. to Dec., 1946. | 1947. |
|--------------------|--------------------|-------------------------------------|---------|
| Australia | 34,242 | 149,305 | 211,748 |
| New Zealand | 29,395 | 345,629 | 348,713 |
| Canada | 8,700 | 197,911 | 125,776 |
| Denmark | 3,042 | 47,818 | 55,592 |
| U.S.A. | 1,331 | 92,515 | 57,663 |
| Argentina | 42,177 | 383,970 | 500,848 |

(From British Board of Trade Records.)

AUSTRALIA.

Current trends in Australian production and supply of meat are outlined following appropriate headings:—

(a) Production.

The following table gives the slaughterings of the various classes of stock for the yearly periods 1946-47 and 1945-46 (for comparison) as recorded by the Commonwealth Statistician:—

SLAUGHTERINGS BY STATES.

Year ended 30th June.

I. CATTLE (thousands).

| States. | Year. | Bulls and Bullocks. | Cows. | Total Bulls, Bullocks and Cows. | Calves. |
|-------------------|-------|------------------------|-------|--|---------|
| N.S.W. | 1946 | 351 | 274 | 625 | 376 |
| " | 1947 | 359 | 277 | 636 | 413 |
| Victoria | 1946 | 123 | 220 | 343 | 213 |
| " | 1947 | 159 | 253 | 412 | 266 |
| Queensland | 1946 | 325 | 276 | 601 | 197 |
| " | 1947 | 483 | 377 | 860 | 223 |
| S.A. | 1946 | 45 | 44 | 89 | 47 |
| " | 1947 | 55 | 40 | 95 | 48 |
| W.A. | 1946 | 78 | 30 | 108 | 11 |
| " | 1947 | 90 | 32 | 123 | 11 |
| Tasmania | 1946 | 22 | 17 | 39 | 4 |
| " | 1947 | 22 | 18 | 40 | 2 |
| Australia | 1946 | 971 | 862 | 1,833 | 867 |
| " | 1947 | 1,181 | 997 | 2,178 | 964 |

Note.—Australian totals include estimates of slaughterings in Northern Territory and Australian Capital Territory.

2. SHEEP AND LAMBS (thousands).

| States. | Year. | Sheep. | Lambs. | Total. |
|--------------------------|-------|--------|--------|--------|
| N.S.W. | 1946 | 4,475 | 2,730 | 7,206 |
| " | 1947 | 4,065 | 2,914 | 6,978 |
| Victoria | 1946 | 2,862 | 2,195 | 5,057 |
| " | 1947 | 2,937 | 3,409 | 6,346 |
| Queensland | 1946 | 1,337 | 128 | 1,465 |
| " | 1947 | 1,109 | 94 | 1,203 |
| South Australia | 1946 | 829 | 608 | 1,438 |
| " " | 1947 | 769 | 859 | 1,628 |
| Western Australia | 1946 | 895 | 474 | 1,369 |
| " " | 1947 | 905 | 515 | 1,420 |
| Tasmania | 1946 | 289 | 144 | 432 |
| " | 1947 | 262 | 137 | 399 |
| Australia | 1946 | 10,718 | 6,296 | 17,014 |
| " | 1947 | 10,077 | 7,944 | 18,021 |

3. PIGS (thousands).

| States. | Year. | Total. | States. | Year. | Total. |
|------------------------|-------|--------|-------------------|-------|--------|
| N.S.W. | 1946 | 460 | Western Australia | 1946 | 178 |
| " | 1947 | 405 | " " | 1947 | 151 |
| Victoria | 1946 | 316 | Tasmania | 1946 | 53 |
| " | 1947 | 354 | " | 1947 | 50 |
| Queensland | 1946 | 472 | Australia | 1946 | 1,651 |
| " | 1947 | 432 | " | 1947 | 1,555 |
| South Australia | 1946 | 172 | | | |
| " | 1947 | 163 | | | |

(Australian Meat Board.)

The production and disposal of meat from these slaughterings is indicated in the following table:—

PRODUCTION AND DISPOSAL OF MEAT.

Year ended 30th June, 1947.

AUSTRALIA (tons):

| Meat. | Estimated Production. | Recorded Exports. | Estimated Home Consumption. | Proportion Exported Per cent. |
|---------------------------|-----------------------|-------------------|-----------------------------|-------------------------------|
| Beef | 456,774 | 83,622 | 373,152 | 18.2 |
| Veal | 29,133 | 910 | 28,223 | 3.1 |
| Total Beef and Veal ... | 485,907 | 84,532 | 391,375 | 17.4 |
| Mutton | 196,352 | 23,417 | 172,935 | 11.7 |
| Lamb | 120,341 | 50,140 | 70,201 | 41.7 |
| Total Mutton and Lamb ... | 316,693 | 73,557 | 243,136 | 23.1 |
| Pork | 31,033 | 8,356 | 22,677 | 26.8 |
| Bacon and Ham ... | 46,099 | 6,842 | 39,257 | 14.8 |
| Total Pig Meat ... | 77,132 | 15,198 | 61,934 | 19.5 |
| Total All Meat ... | 879,732 | 173,287 | 706,445 | 19.7 |

Note.—Bacon and Ham exports and estimated home consumption include canned. Estimated home consumption of other classes include all canned meat, whether exported or not.

(Australian Meat Board.)

As far as production since 30th June is concerned, estimates of production are indicated as follows:—

Meat Production, 1-7-47 to 30-12-47.

| | Tons. |
|---------------------|---------|
| Beef and veal | 274,239 |
| Mutton | 90,253 |
| Lamb | 86,451 |
| Pork | 47,214 |

Important developments are taking place in methods of refrigerating meat. A shipment of American machinery was delivered to the Queensland Meat Industry Board recently to make it possible for the Board to secure extremely low sub-zero temperatures for the quick-freezing of beef and other products. It is expected that the new processes may revolutionise the processing and distribution of all kinds of perishable foods in Queensland. It can be expected that progress in refrigeration technique will occur in the other States. Research is at present under way in New South Wales investigating some of the problems associated with meat refrigeration.

As far as canning is concerned, about 40,000 tons of canned meat was exported from Australia during 1947. Pre-war production of canned meat in Australia never reached one-third of the 1947 estimated total. In 1939 a total of 15,600 tons was produced, of which 6,600 tons were exported. In 1941-42, 37,890 tons were exported and, by 1945, the total Australian production of canned meat had risen to a peak of 93,600 tons.

The promotion of schemes to establish four country killing centres in New South Wales is being continued. It is anticipated that the centres will reduce the figure of the number of sheep lost because of railway travelling which, in a recent year, reached the total of 23,000 head.

(b) Consumption.

The demand from overseas for Australian meat continues to be keen and is likely to remain so for many years. In addition to the established markets, developments may reasonably be expected in the East, where increased industrialisation, higher wages and more spending power may stimulate the consumption of meat of all classes. Furthermore, as a result of the recent tariff agreement signed after the International Trade Conference at Geneva, Australia has secured considerable reduction in the American tariffs against foreign imports of meat. The import duty on lamb has been reduced from 7 cents to $3\frac{1}{2}$ cents per lb. and means a reduction in the landed cost of approximately $25\frac{1}{8}$ d. per lb. The United States duty on mutton is reduced from 5 cents to $2\frac{1}{2}$ cents per lb. The duty on beef and veal has been cut from 6 cents to 3 cents per lb. These valuable concessions should prove a useful standby when the present contracts with Great Britain are completed, should no large-scale renewal take place.

Within Australia, the expanding population is having a marked effect on the local use of lamb and mutton as well as beef. In the five years 1939 to 1943, N.S.W. alone shipped 1,600,000 carcasses of lamb per year to Great Britain. In 1946, the total was only 516,000. In spite of rationing, domestic consumption of meat per head continues to remain at a high level.

Domestic meat prices have continued to rise steadily and the market for lamb in particular is at present fluctuating as a result of the lifting of price control for this class of meat. The export price index based on the three years ended June, 1939, has risen from 1,022 in June, 1940, to 1,092 in June, 1942, 1,122 in June, 1943, 1,132 in June, 1944, 1,218 in June, 1945, 1,234 in June, 1946, 1,393 in June, 1947, and from July, 1947 to February, 1948, has stayed constant at the index figure 1,446.

The following table gives a comparison of the value of Australian exports of meat for the financial years 1945-46 and 1946-47:—

| EXPORTS. | | | | |
|------------------------------------|-----|-----|---------------------------|---------------------------|
| Meat. | | | 1945-46. £A.000 f.o.b. | 1946-47. £A.000 f.o.b. |
| Bacon and Hams | ... | ... | 1,039 | 578 |
| Mutton—Dehydrated | ... | ... | 153 | 40 |
| Potted or Concentrated | ... | ... | 209 | 322 |
| <i>Preserved by Cold Process :</i> | | | | |
| Beef | ... | ... | 2,834 | 4,520 |
| Lamb | ... | ... | 1,178 | 3,631 |
| Mutton | ... | ... | 362 | 912 |
| Pork | ... | ... | 1,205 | 844 |
| Rabbits and Hares | ... | ... | 146 | 661 |
| Preserved in Tins | ... | ... | 5,891 | 7,669 |

EXPORTS AT 1-7-47 AND 30-12-47.

| Meat. | Quantity. | | Value £A.ooo. |
|------------------------------------|-----------|---------|------------------|
| | Unit. | Amount. | |
| Bacon and Hams ... | 'ooo lb. | 3,112 | 297 |
| <i>Preserved by Cold Process :</i> | | | |
| Beef | „ | 167,933 | 4,333 |
| Lamb | „ | 70,149 | 2,562 |
| Mutton | „ | 9,171 | 254 |
| Pork | „ | 2,346 | 128 |
| Rabbits and Hares ... | 'ooo prs. | 6,350 | 845 |
| Preserved in Tins ... | 'ooo lb. | 49,535 | 3,137 |

An important feature of our export trade in meat is the destination of the product. In the table given below the destinations of beef, mutton and lamb are indicated, together with quantities and values of exports to each country:—

TOTAL EXPORTS.

BEEF (Preserved by Cold Process).

| Country of Destination. | Six months ended December. | | | |
|-------------------------|----------------------------|-------------------|-----------|-------------------|
| | 1946. | | 1947. | |
| | Cental. | £A.000, f.o.b. | Cental. | £A.000, f.o.b. |
| United Kingdom ... | 1,006,732 | 2,361 | 1,521,337 | 3,842 |
| Ceylon | 11,158 | 31 | 8,967 | 27 |
| Hong Kong | 25,965 | 55 | 29,443 | 79 |
| India | 172 | 1 | 12 | ... |
| Malta and Gozo ... | ... | ... | 15,829 | 48 |
| Singapore | ... | ... | 51,392 | 143 |
| Trinidad and Tobago ... | ... | ... | 8,126 | 38 |
| Other British Countries | 38,259 | 109 | 12,393 | 39 |
| Egypt | 3,670 | 12 | 20,636 | 72 |
| Japan | 24,213 | 108 | 3,857 | 18 |
| Other Foreign Countries | 28 | ... | 7,341 | 27 |
| Total | 1,110,197 | 2,677 | 1,679,333 | 4,333 |

MUTTON AND LAMB (Preserved by Cold Process.)

| | | | | |
|-------------------------|-----------|-------|---------|-------|
| United Kingdom ... | 1,082,873 | 2,874 | 739,854 | 2,611 |
| Ceylon | 12,563 | 28 | 7,328 | 24 |
| Hong Kong | 5,469 | 16 | 1,682 | 4 |
| Malta and Gozo ... | ... | ... | 6,547 | 16 |
| Singapore | ... | ... | 13,708 | 37 |
| Other British Countries | 2,063 | 5 | 4,073 | 13 |
| Egypt | 2,610 | 9 | 6,002 | 23 |
| Japan | 6,435 | 15 | 14,010 | 88 |
| Other Foreign Countries | ... | ... | ... | ... |
| Total | 1,112,013 | 2,947 | 793,204 | 2,816 |

It will be observed that, while beef exports have increased considerably, there has been some falling off in exports of mutton and lamb.

NEW SOUTH WALES.

Beef and veal production in New South Wales declined from a pre-war average of over 182,000 tons per year to about 142,000 tons in 1947. In the last six months of 1947 beef production stood at over 70,000 tons, veal over 6,000 tons, mutton over 34,000 tons, lamb over 25,000 tons and pork over 8,000 tons. So far this year beef production is some 24 per cent. to 28 per cent. higher than for the corresponding period in 1947. Mutton and lamb

production, however, is some 22 to 25 per cent. lower, while pig production so far this year has remained about the same as for a similar period in 1947.

CONCLUSION.

The main trends in the production of each type of meat may be summarised as follows:—

Beef and Veal.

Total Australian production of beef and veal in tons for the last three financial years is as follows:—

| Year. | Beef. | Veal. | Total. |
|-----------------|---------|--------|---------|
| 1944-45 | 429,600 | 31,500 | 461,100 |
| *1945-46 | 382,300 | 24,300 | 406,600 |
| *1946-47 | 456,800 | 29,100 | 485,900 |

* Preliminary.

The recession of 1945-46 proved temporary and the production for 1946-47 was expected to be greater than in 1944-45, which was a good year.

In New South Wales, for the twelve months ended December, 1947, production of beef and veal was about 10 per cent. higher than for the calendar year 1946. This trend has continued into the first three months of 1948.

There is evidence that the output of beef will not improve to any great extent on the present figures, particularly in the case of dairy cattle. The present peak is partly the result of favourable weather conditions allowing the growth of suitable feed.

Mutton and Lamb.

Total Australian production of mutton and lamb in tons for the last three financial years is as follows:—

| Year. | Mutton. | Lamb. | Total. |
|-----------------|---------|---------|---------|
| 1944-45 | 257,200 | 138,200 | 395,400 |
| *1945-46 | 197,800 | 92,900 | 290,700 |
| *1946-47 | 187,600 | 120,300 | 307,900 |

* Preliminary.

A marked downward trend is indicated in the production of mutton. Production of lamb has also fallen considerably in spite of what seemed to be a temporary uplift at the end of 1946-47.

In New South Wales, for the twelve months ended December, 1947, production of mutton and lamb was almost 8 per cent. lower than for the calendar year 1946. For the first three months of 1948, the downward trend of production has been even more marked.

The numbers of fat stock being marketed are lower than normal. This seems to be due to a combination of factors, most important of which are, the availability of suitable feed and the incentive to hold the stock until it is possible to secure another wool clip. The high prices being obtained for wool have made store stock expensive. Furthermore, owners are using their natural increase of stock to build up flocks to the normal carrying capacity of their holdings, making up for losses experienced in the drought years. Future trends in production will depend on the comparative export prices of meat and wool.

Pigmeats.

Total Australian production of pigmeats in tons for the last three financial years is as follows:—

| Year. | | | | † Pork. | ‡ Bacon and Ham. |
|----------|-----|-----|-----|---------|------------------|
| 1944-45 | ... | ... | ... | 42,570 | 56,290 |
| *1945-46 | ... | ... | ... | 34,576 | 47,961 |
| *1946-47 | ... | ... | ... | 31,036 | 46,092 |

* Preliminary. † Carcase weight. ‡ Cured weight.

A clear decline in the production of both pork and bacon is indicated, being greater in the case of pork.

In New South Wales, for the twelve months ended December, 1947, production of pigmeats was about 5 per cent. lower than for the calendar year 1946. In the first three months of this year there is an improvement indicated.

The pig industry had a difficult time during the drought period, which materially reduced feed supplies. The consequent decline in pig numbers was the direct cause of the decline of pigmeat production. The return of good seasonal conditions has not been accompanied by any general large-scale improvement in production. Price movements have not satisfied growers who are awaiting the terms of the agreement to be made with Great Britain. Other difficulties are the shortages of labour and materials and the availability of feed wheat at a suitable price to growers.

J. B. MAYNE,
Economics Research Officer.