Meat and livestock

Outlook to 2017-18

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Overview

- Key trends
- Market outlook
- Issues for the industry
Australian cattle slaughter and price

z ABARES projection
Lamb and sheep slaughter and saleyard prices

![Graphs showing lamb and sheep slaughter and saleyard prices from 2002-2017. The graphs display the prices in Ac/kg and the number of million head. The graphs show a decrease in prices from 2011 to 2013, followed by an increase in 2014 and 2015.]

z ABARES projection
Farm cash income – beef and sheep average per farm

y ABARES projection
Australian beef exports

- **Japan**
- **United States**
- **Republic of Korea**
- **Other**

'000 tonnes shipped weight

- **f** ABARES forecast
- **z** ABARES projection
Sheep Meat Exports

Lamb

Mutton

‘000 tonnes shipped weight

2009-10 2011-12 2013-14 2015-16 2017-18

2009-10 2011-12 2013-14 2015-16 2017-18

f ABARES forecast  z ABARES projection
Live cattle exports

- Indonesia
- Other ASEAN
- Middle East
- Other

2003-04: 500,000
2005-06: 400,000
2007-08: 600,000
2009-10: 800,000
2011-12: 400,000
2013-14f: 400,000

f ABARES forecast
Live sheep exports

- Middle East
- ASEAN
- Turkey
- Other

ABARES forecast

2003-04: 3,000 '000 head
2004-05: 2,000 '000 head
2005-06: 4,000 '000 head
2006-07: 4,000 '000 head
2007-08: 4,000 '000 head
2008-09: 4,000 '000 head
2009-10: 4,000 '000 head
2010-11: 3,500 '000 head
2011-12: 3,000 '000 head
2012-13f: 2,000 '000 head
2013-14f: 1,500 '000 head
Meat and live animal exports

2013-14 f

- Beef and veal: $4,720 m
- Sheep meat: $1,315 m
- Pig meat: $87 m
- Poultry: $51 m
- Live cattle: $330 m
- Live sheep: $252 m
Poultry

- Poultry production to increase
  - Increased consumer demand
  - Improved genetics
    - increased meat yield
    - feed conversion efficiency
    - disease resistance
Issues for the meat and livestock industries

• Productivity growth

• Future demand to 2050

• Foreign trade policies

• Animal welfare
Annual broadacre productivity growth

- Broadacre: 2013
- Cropping: 1978-88
- Mixed: 1978-88
- Beef: 1989-99
- Sheep: 2000-11
Beef consumption to 2050

- **Japan**: Low consumption in 2007 and projected increase in 2050.
- **Republic of Korea**: Similar to Japan, low consumption in 2007 and projected increase.
- **China**: Significant increase in consumption from 2007 to 2050.
- **Rest of Asia**: Expected increase in consumption by 2050, surpassing Japan and the Republic of Korea.
Foreign trade policies

- Indonesia beef self-sufficiency
- Expanded access for US beef in Japan
- Korea-United States FTA
Animal Welfare

- Live animal export
- Social license
- Domestic commercial pressures
  - Sow stall free pork
  - Cage free eggs
Conclusions

• Livestock prices declining
• Productivity growth needed to increase production
• Higher global food demand offers opportunities
• Continue to work on key trading relationships
• Animal welfare issues increasingly important
• ‘Social license’ imposes changes via community/commercial pressure.
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