GATT REPORTS ANOTHER BAD YEAR FOR BEEF PRODUCERS

Cattle producers in many countries had another difficult year in 1983 as prices continued to fall and further herd liquidations took place. Overall, both exports and imports of bovine meat fell with improved demand conditions occurring in only a few countries.

These are the principal conclusions of the fourth annual report on the "World Market for Bovine Meat", published today by GATT.¹

Looking ahead to 1984, the report suggests another mediocre year in terms of likely returns for producers. The most important positive factor could be continued economic recovery in North America and the Far East spreading to trading partners in other regions.

Both Australia and Argentina, which experienced considerable reductions in their exports (around 20 per cent) during 1983, are expected to see a further fall in 1984. US imports of beef and veal are expected to fall, in 1984, by around 1.5 per cent, following a fall last year of nearly 6 per cent. EC exports are not expected to change in 1984 following a 25 per cent increase last year. EC imports are forecast to be little changed. A major negative factor in export forecasts for 1984 is the probability of reduced imports by the Soviet Union.

The report was prepared for the 25 participants in the Arrangement Regarding Bovine Meat which was negotiated as part of the Tokyo Round of trade negotiations and entered into force in January 1980.

The report states that at least 14 of the signatory countries experienced cattle herd liquidations in 1983. The rate of liquidation of beef cattle herds rose last year in a number of countries leading to an increase in beef production despite a decline in cattle numbers.

This situation was particularly marked in the US and Canada. It seems to have offset, during the first 8-9 months of 1983, any significant positive influence for imported beef which might have resulted from improved consumer incomes in that period.

Figures indicate that beef supplies in Europe during 1983 also exceeded those in 1982. Unlike Canada and the US, however, beef demand declined during the year as poor economic recovery was compounded by increased supplies of pork and poultry in many European countries.

While, in 1981 and 1982, the Soviet Union was the world's second largest importer of beef and veal (after the US), increased beef production there as well as improved carcass weights - due partly to better pasture and forage conditions - are likely to have led to reduced imports in 1983. This situation is expected to continue.

Of the few bright spots which are reported for the bovine meat market in 1983, the Republic of Korea and Japan stand out as benefiting from increased consumer demand.
Note to Editors

The report contains comprehensive and detailed information for 1983 on cattle numbers, slaughter levels, production, prices, consumption and trade on a country-by-country basis as well as some more general information concerning the international economic situation and a summary of the situation and outlook for the world bovine meat market. Estimates are made for the second half of the year and for the year as a whole, as well as forecasts for 1984. A series of graphs and tables at the end of the study break down the main statistics which form the base of the report. The publication is based primarily on information given directly to the GATT secretariat by participating countries, importers and/or exporters of bovine meat.

A summary table and chart are attached.
## Selected Countries' Trade in Beef and Veal

### A. Export\(^1\)

<table>
<thead>
<tr>
<th>Country</th>
<th>1981</th>
<th>1982</th>
<th>% Change from Year-earlier</th>
<th>1983(^2)</th>
<th>% Change from Year-earlier</th>
<th>1984(^2)</th>
<th>% Change from Year-earlier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>486.0</td>
<td>522.0</td>
<td>+7.4</td>
<td>425.0</td>
<td>-18.6</td>
<td>420.0</td>
<td>-1.2</td>
</tr>
<tr>
<td>Australia</td>
<td>710.1</td>
<td>941.9</td>
<td>+32.6</td>
<td>752.0</td>
<td>-20.2</td>
<td>714.0</td>
<td>-5.1</td>
</tr>
<tr>
<td>Brazil</td>
<td>293.2</td>
<td>361.7</td>
<td>+23.4</td>
<td>410.0</td>
<td>+13.4</td>
<td>420.0</td>
<td>+2.4</td>
</tr>
<tr>
<td>EEC</td>
<td>562.0</td>
<td>393.0</td>
<td>-30.1</td>
<td>490.0</td>
<td>+24.7</td>
<td>490.0</td>
<td>0.0</td>
</tr>
<tr>
<td>New Zealand</td>
<td>345.0</td>
<td>357.4(^3)</td>
<td>+3.6</td>
<td>356.0(^3)</td>
<td>-0.4</td>
<td>290.0</td>
<td>-14.0</td>
</tr>
<tr>
<td>Uruguay</td>
<td>173.0</td>
<td>169.0</td>
<td>-2.3</td>
<td>215.0</td>
<td>+27.2</td>
<td>101.0</td>
<td>-53.0</td>
</tr>
<tr>
<td>United States</td>
<td>99.9</td>
<td>115.0</td>
<td>+15.1</td>
<td>120.0</td>
<td>+7.0</td>
<td>140.0</td>
<td>+13.8</td>
</tr>
<tr>
<td>Canada</td>
<td>77.7</td>
<td>81.9</td>
<td>+5.4</td>
<td>85.0</td>
<td>+4.3</td>
<td>80.0</td>
<td>-5.9</td>
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<tr>
<td></td>
<td>2,746.9</td>
<td>2,942.0</td>
<td>+7.1</td>
<td>2,853.0</td>
<td>-3.0</td>
<td>2,655.0</td>
<td>-6.9</td>
</tr>
</tbody>
</table>

### B. Import\(^1\)

<table>
<thead>
<tr>
<th>Country</th>
<th>1981</th>
<th>1982</th>
<th>% Change from Year-earlier</th>
<th>1983(^2)</th>
<th>% Change from Year-earlier</th>
<th>1984(^2)</th>
<th>% Change from Year-earlier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>61.0</td>
<td>21.0</td>
<td>-65.4</td>
<td>40.0</td>
<td>+90.5</td>
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<td>81.0</td>
<td>88.2</td>
<td>+9.3</td>
<td>85.6</td>
<td>-3.0</td>
<td>88.0</td>
<td>+2.8</td>
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<tr>
<td>EEC</td>
<td>314.0</td>
<td>374.0</td>
<td>+19.1</td>
<td>375.0</td>
<td>-0.3</td>
<td>365.0</td>
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<tr>
<td>Japan</td>
<td>178.0</td>
<td>176.0</td>
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<td>185.0</td>
<td>+5.1</td>
<td>190.0</td>
<td>+2.7</td>
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<td>United States</td>
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<td>888.1</td>
<td>+11.2</td>
<td>837.0</td>
<td>-5.7</td>
<td>826.0</td>
<td>-1.5</td>
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<td></td>
<td>1,433.0</td>
<td>1,547.3</td>
<td>+8.0</td>
<td>1,522.6</td>
<td>-1.6</td>
<td>1,529.0</td>
<td>+0.4</td>
</tr>
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</table>

\(^1\) Carcass weight equivalent, includes fresh, chilled, frozen, cooked, canned and otherwise prepared bovine meat.  
\(^2\) Forecast  
\(^3\) Estimate
DESTINATION OF THE EXPORTS * OF SIX ** LEADING BOVINE MEAT EXPORTERS

AVERAGE 1971-72 AND 1981-82

1971-72

- NORTH AMERICA: 42%
- WESTERN EUROPE: 38%
- EASTERN EUROPE: 14%
- UNDETERMINED: 6%
- FAR EAST: 0%
- SOUTH AND CENTRAL AMERICA: 0%
- MIDDLE EAST: 0%
- AFRICA: 0%

TOTAL EXPORTS = 1,038,000 Tonnes

1981-82

- NORTH AMERICA: 32%
- WESTERN EUROPE: 18%
- EASTERN EUROPE: 13%
- SOUTH AND CENTRAL AMERICA: 11%
- MIDDLE EAST: 9%
- FAR EAST: 5%
- AFRICA: 2%
- UNDETERMINED: 0%

TOTAL EXPORTS = 1,614,000 Tonnes

* Product weight; fresh, chilled and frozen.
** ARGENTINA, AUSTRALIA, URUGUAY, BRAZIL, NEW ZEALAND, EEC.

SOURCE: GATT and National sources.