Australian Beef & Sheepmeat Production Outlook
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Working in collaboration with the Australian Government and the wider red meat industry, MLA invests in initiatives that contribute to producer profitability, sustainability and global competitiveness.
Overview Issues

1. Red Meat Industry Structure Review
2. Drought is the ever-present challenge
3. Changing Global Protein Flows
4. Missing/Illegible Shipping Marks
Current Issues for Australian Industry

- Drought ever-present challenge
- Red Meat MoU review
- Live exports, especially sheep
- Changing global protein flows, especially China
- USA still buoyant market but supply constraints into 2020
- Management of Missing/Illegible Shipping Marks
MLA Services for Missing/Illegible Shipping Marks

- FSIS Directives 2016 (Meat Messaging) & 2019 (Pilot Pallet Trial)
- Meat Messaging (MM) & GS-1 Barcoding
- MLA to transition out of on-site remarking services in 2020
- All remarking should be barcode remarking by 2020 (MM & GS-1)
- Government responsible for regulatory issues w clearing shipments
- MLA to support a concerted effort to transition I-Houses to MM
Severe drought has continued in 2019

June to August 2019 rainfall deciles

October - December 2019 rainfall outlook

Source: BOM
Cattle Production

1. Herd contracting in 2019 and steady into 2020
2. Female slaughter at record highs
3. Cattle on feed at record highs
4. Exports back to below 1M tonnes in 2020
National cattle herd contracting in 2019, steady 2020

Source: ABS, MLA estimates
Female slaughter at record highs

Source: MLA and ABS
Number of cattle-on-feed at record highs

thousand head

Source: ALFA; MLA
Australian beef exports: January – September

Source: DAWR
Sheepmeat Production

1. Drought still the major challenge contracting flock
2. Production to contract in 2019, but lamb up in 2020?
3. Who knows what livestock prices will do?
4. Exports of lamb expected to be up in 2020
Australian flock hit by drought in 2018 and 2019

Industry transitioning away from wool

Source: ABS, MLA calculations
Production to contract in 2019 but lamb up in 2020?

Source: ABS, MLA calculations/forecast
Australian and NZ lamb prices break records in 2019

Source: MLA, Agri HQ
Australian lamb exports by destination

Source: DAWR, MLA forecast
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