

# Prospects for Queensland's Primary Industries 2008-09

## Livestock disposals

### Cattle and calf disposals

*Cattle and calves sold for slaughter and live exports*

#### Forecast

The GVP of cattle and calf disposals (including both animals sold for slaughter and live exports) for 2008–09 is forecast at \$3.460 billion, unchanged from the March estimate. This is 1% greater than QPIF's final estimate for 2007–08.

#### Discussion

Cattle and calf slaughter numbers for the March 2009 quarter were 5% lower than the previous quarter, but 9% greater than the March 2008 quarter. For the first three quarters of 2008–09, slaughter numbers were 1% lower than the same period in 2007–08.

As reported in the December 2008 edition of *Prospects update*, slaughter numbers were expected to pick up in early 2009. This did eventuate, with an increase in slaughter numbers from December to January. Total cattle and calves slaughtered have continued to increase within the March quarter.

Despite producers in the north of the state being unable to muster and/or deliver cattle for slaughter in the first quarter of this year, this did not have a significant impact on slaughter numbers during the quarter. However, with part of the north in isolation from flooding in January and February, potential flow-on effects (caused by losses of younger animals in the floods) may impact on slaughter numbers.

With the reduced demand of grain-fed beef in export markets due to the impact of poor

economic conditions, the number of cattle in feedlots declined. Cattle on feed in Queensland for the first quarter of 2009 totalled 365,583 head, down 14% on the previous quarter, but still 32% above the same period last year.

With no significant changes evident from the previous update, the forecast GVP of Queensland's cattle and calf industry remains unchanged at \$3.350 billion.

### Live cattle exports

#### Forecast

The GVP of Queensland's live cattle exports forecast remains at \$110 million in 2008–09. This is due to the continued demand from Indonesia and also the recovery in export numbers in March from a decline in January and February.

Shipments are expected to continue in coming months.

#### Discussion

Australian live exports rebounded during March, as cattle started moving again after floods in January and February. National cattle exports for March were 83 735 head—almost double that of January (42 469 head)—and approximately 10,000 head more than the number exported in March 2008. While exports for March were dominated by Indonesia (78%), the Middle East accounted for 12,274 head, Malaysia 2495 head, Japan 1890 head and China 1848 head.

The sharp increase in March was a result of reduced shipments sent during January and February. There still remains a continued interest from Indonesia for Australian live cattle.

