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THE SITUATION IN THE BEEF AND VEAL SECTOR

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THE SITUATION IN THE BEEF AND VEAL SECTOR

I. INTRODUCTION

On 1 May 1973 having reached agreement on agricultural prices for the 1973/74 season the Council of Ministers of the European Community adopted a series of rules concerning the beef and veal sector.

The Council:

- (a) decided to extend until 16 September 1973¹ the arrangements for the suspension of import charges and compensatory amounts for beef and veal (scarcity situation) in order to facilitate the import of beef and veal from third countries;
- (b) decided to increase the guide price for full-grown cattle by 10.5% and for calves by 7.5%;
- (c) agreed to the Regulation introducing a premium system for the conversion of dairy cow herds to meat production and a development premium for the specialized raising of cattle for meat production²;
- (d) adopted a Directive on the guidance premium provided for in Article 10 of the Directive of 17 April 1972 on the modernization of farms³;

¹Regulation (EEC) No 1331/73 of the Council of 15 May 1973 - OJ No L 136 of 23 May 1973.

²Regulation (EEC) No 1353/73 of the Council of 15 May 1973 - OJ No L 141 of 28 May 1973.

³Directive No 73/131 - OJ No L 153 of 9 June 1973.

- (e) agreed to authorize the Member States to introduce a special system of aids to encourage agriculture, particularly cattle rearing, in order to safeguard agriculture in certain less-favoured zones, particularly mountain and hill farming. This system will be based on Community standards which have yet to be defined.

It should also be mentioned that on 20 December 1972 the Council decided to introduce a permanent intervention system for beef and veal in order to allow stock-breeders to receive 93% of the guide price by selling their cattle or meat to the intervention agencies.

Why was it considered necessary to take such far-reaching decisions in this sector at such an important Council meeting?

The reason is that the beef and veal sector in Europe and throughout the world is undergoing a period of crisis.

In these circumstances we must first examine the world situation, and then that in the European Community; the following brief analysis of production, imports and exports and consumption in each of the Member States is an attempt to explain more fully the various aspects of the problem.

II. THE WORLD SITUATION

Beef and veal account for no less than 40% of total world meat production, a larger percentage than any other type of meat.

However beef and veal production is developing at a very slow rate because of the difficulties involved in adapting it to the new methods of factory farming which have led to spectacular growth in poultry and pig farming.

For this reason cattle stock in the world as a whole has increased at a very low rate of between 1 and 2% per annum during the last ten years.

Despite the low rate of increase in the number of head of cattle the rate of meat production has practically doubled (between 3 and 4%). The largest increases were recorded in Europe and North America, although the number of head of cattle had increased in those areas at the lowest rates and even decreased in certain cases.

European and American farmers have actually managed to increase productivity in an ever more rationalized manner, obtaining a yield per beast 4 to 5 times greater than the yields obtained in the other great cattle raising areas of the world such as Africa and the Middle East.

Despite these achievements production has not been able to keep up with demand, and therefore the Community and the United States have had to import a great deal from the rest of the world.

Although the amount imported by the United States is extremely small compared with its national production, the amount imported by the Europe of the Six has for many years represented a large part of actual consumption and is a result of the necessity to import because of the limited size of the territory and the ill-adapted structure of agriculture.

During the last few years in addition to the increase in demand from traditional importing countries new buyers such as Japan and the Soviet Union have appeared on the world markets.

This is attributable to an increase in average earnings and has resulted in large price increases because the traditional exporting countries have been unable to increase production enough to keep up with demand, mainly because of their non-intensive production methods.

III. THE SITUATION IN THE COMMUNITY

1. General

Compared with third countries productivity in the beef and veal sector in the Community is good.

In fact if we consider average meat yield per cow we find that only cows in the United States, Canada and Israel have given a better yield than cows in the European Community.

Nevertheless, since 1962 the Community of the Six has never been able to provide more than 90% of its own beef and veal requirements and it has had to import an average of 500-600 000 metric tons per year.

What are the reasons for this situation?

Table 1 in the Annex gives the details relating to this sector.

2. Cattle stocks These increased greatly in number between 1950 and 1960, but since then the increase has slowed down to some extent. Yield per head has increased both for full-grown cattle and for calves of which the carcass weight is now appreciably higher than in previous years¹.

¹Calves are defined as cattle weighing less than 220 kg which have not yet cut any second teeth.

There has in fact been a considerable increase in the number of full-grown cattle slaughtered and a considerable reduction in the number of calves slaughtered (cf. Table 3).

In spite of these favourable factors it is to be noted that beef and veal production in the Community has certain negative aspects. Special breeds of cattle for the production of meat are to be found mainly in France, Italy and the United Kingdom, but even there only in limited numbers. (In 1971 there were 4.45 million suckling cows, and 24.7 million dairy cows, in the nine countries of the present Community.)

From 1969 to 1971 the number of cows suckling calves decreased in Italy but remained relatively stable in France. In Germany their number is very limited but continues to increase (46 500 in 1972).

Belgium also recorded a slight increase (30 000 in 1972). For the Netherlands and Luxembourg no specific statistics are available as, particularly in Holland, the cows are intended primarily for milk production; there has in fact been a very appreciable increase in the number of dairy cows in the Netherlands.

In Denmark, the numbers of cattle have declined steeply (cf. Table 2), involving a reduction in all categories (dairy cows, cows for breeding, and cows for fattening). Like the Netherlands, Denmark specializes in dairy cattle.

In Ireland the cattle stocks have increased considerably in the same period (+10%). In the near future this Member State will be able to devote a larger proportion of its cattle to the production of beef and veal from meat breeds of English and continental origin.

3. Production

Production is increasing continually. To understand more clearly the changes which have occurred, it is essential to examine the data relating to each of the Member States and to consider the factors influencing the actual rate of production. Table 2 of the Annex supplies the data for the period from 1961 to 1971.

The figures show that trends in production rates have varied considerably from one country to another.

The largest increase is in the Netherlands. Although the number of cattle has decreased by almost 10% in Italy, the increase in production has been greater than the Community average. This is due to ever increasing imports of calves and young cattle for fattening.

FEDERAL REPUBLIC OF GERMANY - The increase in production was 37.3%, in other words 10% greater than the increase in consumption during the same period.

The increase in production was due to an increase in the number of cattle for fattening aged one year or more (cf. Table 3) and also to a slight increase in the average carcass weight of both full-grown cattle and calves.

The meat/barley price ratio which increased from 5.3 to 7.4 between 1961 and 1971 and the meat/maize price ratio which reached 7.2 seem to have had a favourable influence.

In Germany however the price of beef and veal has a considerable effect on consumption, which is easily channelled to other types of meat, particularly pigmeat. In recent years there has been a tendency in Germany to limit the number of cows, which has affected the number of births.

FRANCE - In France, which had 42% of the cattle stock of the Community of Six, and where there are great opportunities for production, the increase in production was the lowest in the Community during the period under consideration.

Of the various reasons for this, one may mention, in the first place, the number of young calves slaughtered, representing 50% of all the head of cattle slaughtered and 23% of beef and veal produced, and, secondly, the price which the French are prepared to pay for that type of meat, in spite of the fact that the meat/barley price ratio increased from 6.2 to 9.6, the meat/maize ratio reached 9.8, and the meat/milk ratio 9.1.

France is therefore the country which potentially can contribute the most as regards beef and veal production, since it is not yet making rational use of its own cattle. More calves could, in fact, be used for producing beef.

The security offered by the "permanent intervention" system¹ for full-grown cattle and the increase in the guide price for beef and veal should therefore bear fruit in France in particular.

ITALY - Here the number of livestock decreased the most between 1961 and 1971 (almost 10%), particularly where beef breeds were concerned; whereas there was a staggering increase in the demand for milk and meat as a result of increased earnings.

It was therefore necessary to build up meat and milk production considerably, by introducing highly advanced methods of rationalizing and industrializing cattle-farming.

A type of factory farming for meat production was therefore developed, aimed at producing "vitelloni", young animals weighing approximately 500 kg; the ever increasing demand for calves for this type of farming has been met by extensive purchases in other countries.

¹The maximum purchase price in the permanent intervention system is 93% of the guide price for full-grown cattle, as in the other intervention schemes for beef and veal.

In the last few years this particular type of stock-rearing venture has suffered a setback as the majority of traditional foreign suppliers (Hungary, Yugoslavia, Czechoslovakia, Bulgaria and Romania) have considerably reduced the sale of their calves. In addition, Community partners (France, Germany) are now tending to reduce their exports of calves to Italy.

At the present time, if we add the yield from Italian cattle to the increase in weight of imported and fattened calves, Italy satisfies 54% of its internal demand for beef and veal.

Italy is the only country for which the percentage variation in consumption during the period under consideration is spectacularly greater than the variation in production (cf. Table 2).

The Directive on less-favoured hill and mountain zones and the development premium for the specialized raising of cattle for meat production will enable Italy to increase its own cattle population and hence to have calves available for fattening.

NETHERLANDS - The amount of veal produced in this country is very great in relation to the total amount of beef and veal produced.

This seems to be mainly a result of the possibility of exporting large quantities of veal particularly to Italy.

The Netherlands is the only country of the Community of Six to have increased the number of head of dairy cattle and cattle for breeding in the last few years. Although this applies, strictly speaking, to only a limited number of animals, it is undoubtedly significant in terms of the Community as a whole since for some years there has been a trend towards limiting the number of cattle for breeding.

BELGIUM - This trend has also been seen in this country which still managed to improve its balance of supplies in 1971 in comparison with 1961 (cf. Table 2). Production in fact increased far more than consumption.

GRAND DUCHY OF LUXEMBOURG - Production has increased considerably. In the ten years from 1961 to 1971 production increased by 18% whereas consumption increased by 9%.

Consequently its self-sufficiency has increased from 102% to 110%. It is the country in the Community in which veal production (2%) is the lowest compared with total production.

As far as the Community of the Six is concerned, we can end this description by pointing out that the limitation of the number of calves slaughtered did not lead to a decrease in meat production, thanks to the increase in average carcass weight.

During the years under consideration there was an increase in the total of beef and veal produced, but that increase amounted to only about half the increase in consumption over the same period.

What is the position in the "production" sector in the three new Member States?

UNITED KINGDOM - Production is expanding. For many years this country has pursued a policy aimed at increasing production, based mainly on a system of prices guaranteed by the government. The production of beef and veal is supported by "deficiency payments" which allow stock-breeders to be sure

of a guaranteed price independent of market prices, and by "production subsidies" which encourage fattening, the raising of beef breeds, and cattle-farming in less-favoured hill regions so as to produce more calves for fattening.

This activity has been encouraged by the existence of beef breeds which are used systematically for crossing with milk breeds in order to produce faster growing calves which are better suited for meat production.

Most of the meat produced is therefore from rather young cattle of the barley-beef type, with a live-weight of about 400 kg and tender, lean flesh, fattened by modern techniques.

The production of heavy beasts has greatly declined, largely because it is so easy to carry out this type of fattening.

DENMARK - Danish production depends entirely on exports. Denmark's rate of self-sufficiency is very high (217% in 1971), second only to that of Ireland (658%) in the Community of the Nine. Its production is therefore strongly influenced by world market conditions and fluctuations.

Up to 1965, 80% of its beef and veal exports used to go to the Member States of the EEC (particularly the Federal Republic of Germany), and Denmark exported about a third of its Gross National Product in the form of animals on the hoof and another third in the form of processed products.

In order to keep its position in the EEC market, Denmark took steps to improve the quality of its meat. It reorganized its exports, increasing the production of veal and other types of meat, as against cattle for export on the hoof. In 1971, calves represented over 51% of all the cattle slaughtered, and 80% of

beef and veal exported by Denmark, went to Italy.

IRELAND - Of the new Member States, Ireland has shown the greatest increase in production since 1968 (cf. Table 2).

The cattle population is continually increasing because of the favourable climate, and of the good market conditions which should now improve still further with entry into the European Community.

Moreover, production prices in Ireland do not amount to 80% of those in the Community; thus the market situation is really advantageous for this producer country.

It should be emphasized that Ireland's rate of self-sufficiency is the highest in the Community: about 658% in 1971.

The statistics available make no distinction between the number of full-grown cattle slaughtered and the number of calves slaughtered, but veal production in Ireland is virtually insignificant.

4. Consumption

The crisis affecting the beef and veal sector has its roots in the sudden large-scale increase in consumption.

By examining the factors affecting each country a clearer picture of the situation will emerge.

The rate of self-sufficiency has increased in all the original Member States except Italy; in the Community as a whole it has decreased by the very fact that massive imports have been made by Italy.

The situation in the Member States:

ITALY - We can trace back to 1959/60 the start of a period which has not yet come to an end in which consumption and production trends have been at variance. It was in these years that the boom in consumption started, as a result of increased earnings. In twelve years consumption doubled, whereas production at first decreased and later increased but by only a very limited amount.

The following table illustrates the extent of this development:

Member States	Consumption of lean meat per head in kg						Variation in total consumption
	1961-62			1971-72			
	full- grown cattle	calves	total	full- grown cattle	calves	total	
Federal Rep. of Germany	18.5	1.9	20.4	21.5	2.1	23.6	+ 15.7%
France	21.9	8.3	30.2	20.6	6.8	27.4	- 9.3%
Italy	12.6	2.0	14.6	21.-	3.6	24.6	+ 68.5%
Netherlands	17.7	1.7	19.4	17.9	0.4	18.3	- 5.7%
BLEU	20.5	2.0	22.5	23.8	2.5	26.3	+ 16.9%

Source: SOEC Agriculture Statistics

Because of low earnings consumption was very limited in Italy in 1961. With increased earnings the average Italian has progressively changed his eating habits.

Another factor which has influenced this massive increase in the consumption of beef and veal is that Italian consumers have shown a marked preference for this type of meat.

Nevertheless Italy still has the lowest total consumption for all meat in the Community as originally constituted, and only in the Netherlands and Germany is beef and veal consumption per head lower than in Italy.

It should, however, be pointed out that although the consumption of beef and veal increased in absolute terms in 1971, there was a proportional decrease in comparison with the preceding year, and a noticeable increase in the consumption of pigmeat.

The general opinion is that the level of veal consumption is rather high in Italy. It has continued to increase, and the only setback was in 1972, mainly because of difficulties in getting supplies from abroad.

GERMANY - The total consumption of veal has remained at more or less the same level.

On the other hand, consumption of beef has continued to grow during the ten years under consideration, and has increased by 26.8% as compared with 1961 (cf. Table 2). However, the consumption of beef in Germany is not as consistent as in Italy, and appears to be easily influenced by alterations in the price of other types of meat, particularly pigmeat and poultry.

FRANCE - In 1970 this country had the highest level of beef and veal consumption (30 kg per head), but in 1971 this decreased and consumption of other types of meat increased.

This reduction was caused partly by the sudden increase in beef and veal prices, but mainly by the reduction in the consumption of veal, the production of which decreased considerably in recent years for various reasons,

in particular the high prices and ever-increasing use of calves for fattening in France and abroad.

BELGIUM - Consumption of both beef and veal increased steadily in Belgium.

In 1971 consumption of these meats amounted to 30 kg per head, which seems attributable to less competition from other meat.

NETHERLANDS - In this country the level of beef and veal consumption per head is still relatively low (less than 19 kg per head in 1971), and the highest percentage of meat consumption is of pigmeat.

This is attributable to prices and to the consumers' eating habits.

LUXEMBOURG - Consumption of beef exceeded 30 kg per head in this country in 1966, but has since decreased, whereas the consumption of veal has increased.

A separate analysis is necessary in order to examine consumption patterns in the new Member States, because of the shortage of data available and because it is impossible to compare the situation in those countries with that in the old Member States.

UNITED KINGDOM - The main feature here is the noticeable reduction in consumption because of increased prices.

In 1957, beef and veal consumption was about 30 kg per head in this country.

Since then, particularly from 1964 onwards, prices have risen rapidly but earnings have tended to remain at about the same level, with the result that beef and veal consumption has decreased and consumption of cheaper meats such as pigmeat and poultry has increased.

Beef and veal consumption is now slightly more than 21 kg per head and is almost entirely beef consumption.

In the 1968/71 period consumption increased far less than production, so that the rate of self-sufficiency improved even though it was still at a relatively low level.

DENMARK - Veal consumption is high. However the veal in question comes from calves with a high carcass weight (140 kg).

IRELAND - Consumption of beef and veal has increased at a steady rate in the last few years. It is now about 20 kg per head, but the statistics make no distinction between beef and veal (veal consumption is probably very low).

* * *

To conclude we can state that total beef and veal consumption for the Six increased by some 30% in the ten years from 1961 to 1971 resulting in a 35% increase in a balance which is already in deficit.

The extent of veal consumption is by no means negligible. It also increased proportionately: its share in total consumption of beef and veal increased from 14.5% in 1969 to 15.8% in 1971.

The accession of the new Member States has, however, considerably reduced this percentage because of consumption patterns in Ireland and the United Kingdom which are characterized by low consumption almost exclusively centered on beef.

5. Trade

Imports and exports concern both animals on the hoof and meat.

There are all types of animals on the hoof (from milk calves to full-grown cattle ready for slaughter and animals for breeding), and beef and veal can be fresh, frozen, deep-frozen or preserved by cooking.

Each of these types of animals and meat has its own market, rates and specific regulations.

In the last few years there has been a general increase in trade in prepared meat and calves for fattening, whereas the market in animals for slaughter is receding particularly where long distances are involved.

The world market for beef and veal has certain special features as regards supply and demand.

Whereas sources of supply tend to be widely dispersed, with numerous countries each representing rather a small percentage of the total, demand is strongly concentrated.

The United States and the EEC, particular since the accession of the United Kingdom, import about two thirds of the beef and veal supplied throughout the world, and the rest is distributed between a few countries. Features of the world market in beef and veal in recent years have been:

- (a) an increase in the percentage of exports in relation to total production;

- (b) a reduction in relation to the total amount of meat of all types exported; beef and veal, however, still occupy the first place (40%) in the total amount of meat processed.

After these general remarks, the part played by the Community in world trade should now be considered, differentiating between intra-Community trade and that between the Community and other countries.

Intra-Community trade

Although trade between the Six Member States was extensive even before the introduction of a single market, Community regulation in this sector has proved, and will continue to be, very important.

In fact the Community preference system has had a very marked influence on all types of meat and animals imported and exported. There have been considerable increases in the case of both calves and full-grown cattle, the quantities, expressed in weight, having increased five-fold and ten-fold respectively between 1966 and 1972. The total quantity of meat and animals imported and exported has increased three-fold in terms of weight over the same period (cf. Table 5).

The following table gives an accurate picture of the supply position in the various Member States. It should be stressed that the figures include intra-Community and extra-Community trade.

"Production/consumption" balance per Member State expressed in metric tons of meat with bone (1970)			
	<u>Full-grown cattle</u>	<u>Calves</u>	<u>Total</u>
Federal Republic of Germany	-134 000	- 33 500	-167 500
France	+101 000	+ 2 600	+103 600
Italy	-360 000	-142 700	-502 700
Netherlands	- 32 000	+ 92 600	+ 60 600
Belgium	- 20 000	+ 2 000	- 18 000
Luxembourg	+ 3 300	- 2 000	+ 1 300

Source: DG for Agriculture - Cattle and Meat Division

The French surplus of beef and the Netherlands surplus of veal are thus completely absorbed by Italy and Germany.

Extra-Community trade

Imports from non-member countries showed a very definite increase in 1972, because in that year there was a marked decline in Community production as compared with 1971.

There was a significant increase in imports of full-grown cattle and meat from such cattle, but imports of veal and calves progressively decreased.
(cf. Table 6).

Exports to non-member countries consisted almost exclusively of meat from full-grown cattle, and increased steadily over the years although there was a setback

in 1972 because of the shortages that year.

Types of meat and animals imported

(cf. Table 5):

Deep-frozen meat: this type of meat was that most largely imported, and represented more than a third of all imports; Argentina, Brazil and Uruguay are the main suppliers.

Fresh and frozen meat: imports of this type of meat increased considerably in 1972, exceeding the weight of full-grown cattle imported live. In 1972 (still in relation to the Community of the Six) Denmark, Ireland and the United Kingdom played an important part as regards this type of import.

Veal: in the period preceding the enlargement of the Community, veal came mainly from Denmark and nearly all of it was exported to Italy. In 1972 there was a big decrease in imports.

Live cattle: full-grown cattle imported live play a very important part. They are used either for fattening or for immediate slaughter. Poland and Hungary supply most of the cattle for fattening, followed by Austria, the German Democratic Republic, Yugoslavia and Romania.

Live calves are generally imported from Eastern Europe, and imports of this type of animal, particularly the younger ones, have tended to decline in recent years as most of these countries have taken to fattening their own calves in order to sell the meat.

What was the position regarding trade for the three new Member States in the period preceding enlargement?

UNITED KINGDOM - Up to the middle fifties the United Kingdom absorbed more than half of all the beef and veal imported throughout the world, and London market rates were the basis for many international contracts.

Towards 1960, international markets shifted to continental Europe and the United States, and now the United Kingdom ranks as the third largest importer in the world after the United States and Italy.

The quantities imported have decreased as a result of the increase in national production and the fall in consumption.

There have also been changes as regards sources of supply. The increasing decline in imports of meat from Argentina, Uruguay, Australia and New Zealand has been counterbalanced by increases in imports from Ireland, France and the Netherlands.

The United Kingdom has also developed imports of young live cattle coming exclusively from Ireland.

DENMARK - This country, which used to produce for the European market and particularly for the Federal Republic of Germany, has - as mentioned earlier - had to limit its numbers of cattle because of new market conditions regarding milk and manpower. This has involved a considerable reduction in production and imports of all types of meat and live animals, except veal.

IRELAND - The Irish cattle population has increased steadily, but the increases have been more marked since 1964.

This is connected with the continued increase in exports from Ireland to the United Kingdom. Favourable factors have been:

- (a) the entry into force in 1966 of the Anglo-Irish Free Trade Area Agreement.
- (b) the proximity of centres of consumption in the United Kingdom which appreciate the good quality of Irish meat.
- (c) the total absence of contagious diseases in the cattle.

As a result of acceding to the European Community Ireland has a far wider market for its exports of meat and cattle on the hoof.

6. Prices

Production in 1972 decreased considerably (more than 8% as compared with the previous year) which resulted in price increases on the national markets.

Despite the measures laid down for such eventualities by the regulations, namely the partial or total suspension of import duties on entry, the importation of products from non-member countries has failed to reduce the level of prices on Community markets, because of the extremely high rises in prices on world markets. In addition prices have increased still further because demand has remained high (cf. Table 6).

IV. CONCLUSION

Some hold the view that the Community of Nine will be able, thanks to Ireland, to cover a large part of its beef and veal requirements, although it will continue to have a deficit, as Italy, the United Kingdom and Germany are respectively second, third and fourth largest world importers.

Others, such as the FAO, consider that the Community deficit will amount to 1 million metric tons by 1980.

In fact it seems impossible at the moment to make reasonable assumptions, as one cannot foresee the full extent of reactions to new situations arising now or in the future as regards, for instance, the following factors:

- (a) the large increase in the price of beef and veal,
- (b) a probable increase in income as a result of the enlargement of the Community,
- (c) the effect of advertizing and marketing methods on the consumption of other types of meat,
- (d) competition from other types of agricultural production,
- (e) the influence of Community and national legislation on the various aspects of agriculture,
- (f) the decrease in the rural population.

In any case it will certainly take a long time to achieve any considerable increase in production, even with the continued existence of factors favouring this type of production, such as:

- (a) favourable market prices, particularly in comparison with other products,
- (b) an increase in the average size of farms,
- (c) facilities for finance,
- (d) an increase in the number of cows.

- (e) an increase in available fodder,
- (f) market stability
- (g) technical assistance
- (h) a reduction in the demand for veal
- (i) better arrangements for slaughtering and distribution, with participation by producer groups.

It will doubtless be necessary for these production incentives to be accompanied by measures to keep at a reasonable level the increase in demand, which should be more evenly distributed among the various types of meat.

Table 1 - SUPPLY TRENDS FOR THE COMMUNITY OF THE SIX FROM 1960 TO 1971 AND THE
COMMUNITY OF THE NINE FROM 1968 TO 1971

(in thousands of metric tons, fat included)

Year	Cattle (1000 head)	Production	Consumption	Self-sufficiency (%)	Imports	Exports
1960	48 126	3 326	3 548	93		
1965	49 944	3 553	4 166	85	620	17
1966	51 027	3 904	4 483	87	568	12
1967	51 711	3 984	4 506	88	595	15
1968	52 251 73116	4 169 5348	4 622 5006	90 94	499	35
1969	52 400 73462	4 133 5484	4 734 0083	87 90	613	40
1970	51 311 72692	4 341 5784	4 912 6265	88 92	595	67
1971	50 701 72338	4 423 5842	4 887 6211	90 94	582	68

Source: Commission of the European Communities - DG for Agriculture
(the second figure shown indicates the situation with 9 Member States).

**TABLE 2 - COMPARATIVE TRENDS FOR EACH MEMBER STATE OF THE COMMUNITY OF THE SIX AND OF THE NINE
BETWEEN 1961 AND 1971**

	Total cattle		Variation	Production		Variation	Consumption		Variation	Balance		Variation	Self-sufficiency rate	
	1961	1971		1961	1971		1961	1971		1961	1971		61	71
Germany	13425	13637	+ 1.5 %	990.5	1360.1	+ 37.3%	1165	1477.7	+26.8%	-174.5	-117.6	- 32.6%	85.9	92.-
France	20583	21764	+ 5.7 %	1464	1696.2	+15.9%	1294	1516.5	+17.1%	+170	+179.7	+ 5.7%	111.5	111.8
Italy	9563	8669	- 9.5 %	602.8	755	+25 %	689.8	1347	+95.2%	- 87	-592	+580.4%	87.3	56.-
Belgium	2727	2649	- 2.8 %	193.7	258.7	+33.5 %	208.9	267.8	+28.2%	-15.2	- 9.1	- 40.1%	92.7	96.6
Netherlands	3622	3789	+ 4.6 %	234.7	341.7	54.5 %	230.1	267.5	+16.2%	+ 4.6	+ 74.2	+151.3%	102	127
Luxembourg	152	192	+26 %	10.2	12	+17.6%	10.-	10.9	+ 9 %	+ 0.2	+ 1.1	+ 45%	102	110.-
EEC(6)	50092	50701	+ 1.2 %	3495.9	4423.7	+26.6%	3597.8	4887.4	+35.8%	-101.9	-465.7	+357.-%	97.3	90.5
United Kingdom	<u>1968</u> 12151	<u>1971</u> 12804	+ 5.3 %	<u>1968</u> 780.5	<u>1971</u> 811.7	+ 4 %	<u>1968</u> 1132.3	<u>1971</u> 1159.4	+ 2.4 %	<u>1968</u> -351.8	<u>1971</u> -347.7	- 1.1 %	<u>1968</u> 68.9	<u>1971</u> 70.-
Denmark	3141	2723	-13.3 %	261.3	231.5	- 11.4	100.-	106.8	+ 6.8 %	+161.3	+124.7	- 22.7 %	261.3	266.7
Ireland	5572	6134	+10 %	336	375	+ 11.6	51	57	+11.7%	+285	+318	+ 11.5 %	658.8	657.9
EEC(9)	73116	72338	-10.6 %	5548.3	5842.6	+ 5.3	5906.5	6211.7	+ 5.1%	-358.1	-369.6	+ 3.2 %	93.9	94.-

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TABLE 3 - TRENDS IN SLAUGHTERING (IN THOUSANDS OF HEAD) AND IN THE AVERAGE SLAUGHTER WEIGHT (CARCASE WEIGHT) IN THE COMMUNITY OF SIX BETWEEN 1961 AND 1971

	Full-grown cattle slaughtered		Variation %	Calves Slaughtered		Variation %	Average weight of full-grown cattle		Variation %	Average weight of calves		Variation %
	1961	1971		1961	1971		1961	1971		1961	1971	
Germany	3 741	4 674	+ 24.9	1 901	1 053	- 44.6	267	277	+3.7	49	78	+59.1
France	3 345	4 059	+ 21.3	4 685	4 065	- 13.2	278	305	+9.7	65	93	+43.-
Italy	2 519	3 833	+ 52.1	1 385	1 238	- 10.6	225	248	+10.2	79	97	+22.7
Netherlands	721	891	+ 13.5	594	1 026	+ 72.7	287	272	- 5.2	56	103	+83.9
Belgium	672	789	+ 17.4	266	284	+ 67.6	272	302	+11	74	97	+31.-
Luxembourg	37	41	+ 10.8	12	2	- 83.3	259	268	+ 3.4	53	100	+88.6
EEC	11 035	14 287	+ 29.4	8 843	7 668	- 13.2	264.6	278.6	+ 5.3	62.6	94.6	+51.1

Source: Statistical office of the European Communities (Agricultural Statistics).

Table 4 - RELATIVE SIZE OF VEAL PRODUCTION IN THE COMMUNITY OF THE SIX

	Calves slaughtered as percentage of total slaughterings		Domestic veal production as percentage of total domestic production	
	1961	1971	1961	1971
Germany	33.7 %	18,3 %	9.1 %	7.1 %
France	58.3 %	50 %	24,7 %	23.1 %
Italy	35.4 %	24.4 %	- ¹	9.2 %
Netherlands	45.1 %	53.5 %	18.9 %	31.1 %
Belgium	28.3 %	26.4 %	9.8 %	11.6 %
Luxembourg	24.5 %	4.65 %	6 %	2 %
EEC	44.48 %	34.9 %	15.2 % ²	15.7 %

¹No statistics available.

²Excluding Italy.

Source: Statistical Office of the European Communities (Agricultural statistics), Commission of the European Communities: DG for Agriculture.

External trade of the EEC

(1965-72)

A. Intra-Community trade in beef and veal expressed in metric tons of meat with bone

Year	Live calves 1	Veal 2	Total (1+2) 3	Full grown cattle (live) 4	Fresh or frozen meat 5	Deep-frozen meat 6	Total (4+5+6) 7	Final Total (3+7) 8
1965	17 312	53 887	71 199	18 389	70 261	4 456	93 106	164 305
1966	10 629	52 630	63 259	15 657	77 145	6 739	99 541	162 800
1967	23 130	62 691	85 821	32 598	105 572	5 603	143 773	229 594
1968	25 556	69 149	94 705	49 713	150 964	31 757	232 434	327 139
1969	33 191	83 128	116 319	55 385	143 135	27 111	229 631	341 950
1970	34 810	95 869	130 679	70 458	144 035	7 927	222 472	353 151
1971	35 328	103 063	138 391	105 310	159 141	9 974	274 430	412 921
1972	48 235	102 076	150 311	144 785	161 040	17 542	323 367	473 578

B. Trade with non-member countries expressed in metric tons of meat with bone (1965-72)

1965	6 296	32 626	38 922	213 809	155 887	211 638	581 334	620 256
1966	5 313	27 704	33 017	183 616	147 565	195 803	526 984	560 001
1967	8 287	43 144	51 431	168 694	180 544	194 989	544 227	595 658
1968	22 623	60 585	83 208	164 623	107 853	148 529	416 005	499 213
1969	26 203	84 340	110 543	199 875	93 194	210 054	503 123	613 666
1970	16 151	84 764	100 915	176 893	93 614	223 614	494 121	595 036
1971	13 177	75 130	88 307	176 161	98 584	219 308	494 053	582 360
1972	11 441	22 525	33 966	232 040	257 135	363 515	852 690	886 656

EEC exports to non-member countries

1965	106	3 993	4 099	2 390	7 218	3 719	13 327	17 426
1966	155	2 825	2 980	808	3 710	5 279	9 797	12 777
1967	190	3 334	3 524	1 526	4 740	6 183	12 749	16 273
1968	292	1 582	2 174	1 662	16 056	15 184	32 902	35 076
1969	203	2 145	2 348	1 961	13 009	23 144	38 114	40 462
1970	80	1 686	1 766	1 716	20 322	43 724	65 962	67 728
1971	380	1 762	2 142	632	16 263	49 435	66 330	68 472
1972	602	3 783	4 385	800	2 115	15 778	19 293	23 678

Source: Commission of the European Communities - DG for Agriculture

Table 6: COMPARATIVE TRENDS OF EEC MARKET PRICES AND WORLD PRICES AND WORLD PRICES (in u.a. per 100 kg of live weight)

	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
<u>FULL-GROWN CATTLE</u>										
Guide price	51 250	57 500	60 500	62 250		68 000	68 000	68 000	72 000	75 000
min. ¹										78 000 ¹
fixed										
max.	58 750	61 250	64 250	66 000						86.2
EEC										
Market price	62 340	64 880	62 920	62 955	63 968	67 839	68 809	71 547	87 583	
Import price	45 258	47 183	42 640	38 375	39 375	45 250	48 055	51 385	65 293	
B/A (%)	72.7	73.0	67.8	61.6	61.6	66.6	69.9	71.9	74.6	
<u>CALVES</u>										
Guide price	76 250	78 000	80 000	82 750	91 500	91 500	91 500	94 250	96 500	103.7
min.										
max.	86 250	85 000	86 750	89 500						
EEC										
Market price	91 285	96 928	97 098	93 740	97 640	102 006	103 985	106 823	129 266	
Import price	59 855	61 508	53 725	55 973	54 363	66 001	72 618	71 623	93 103	
B/A %	65.5	63.4	55.4	59.8	55.7	64.7	69.9	67.1	71.9	

Source : Commission of the European Communities

¹from 15.9.1972.