



Australian Government  
 Australian Centre for  
 International Agricultural Research



# The Chinese beef industry

## *Feeding China*

Centre for Contemporary Chinese Studies, University of Melbourne, June 9, 2017

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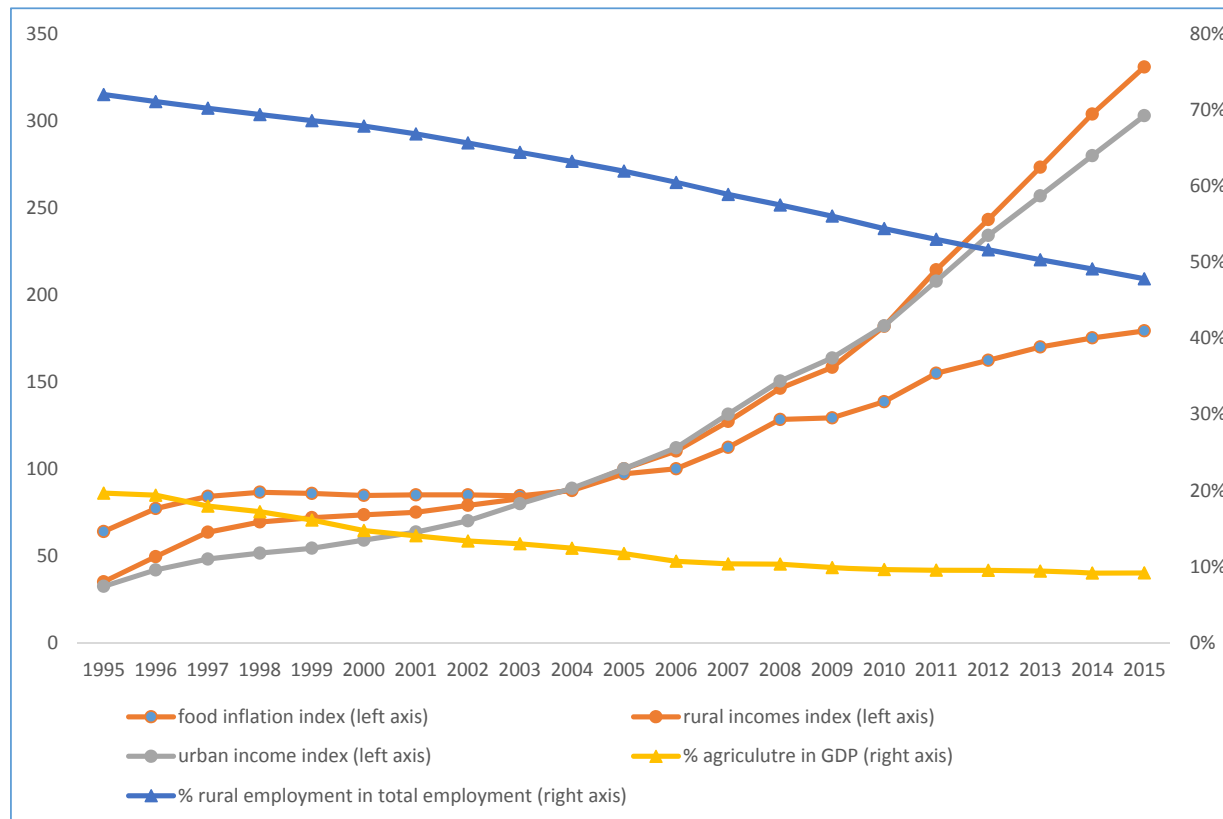


ACIAR Project *Beef Markets and Trade in China and Southeast Asia*

China Agricultural Economics Group  
[www.uq.edu.au/agriculture/caeg](http://www.uq.edu.au/agriculture/caeg)



# Macro drivers

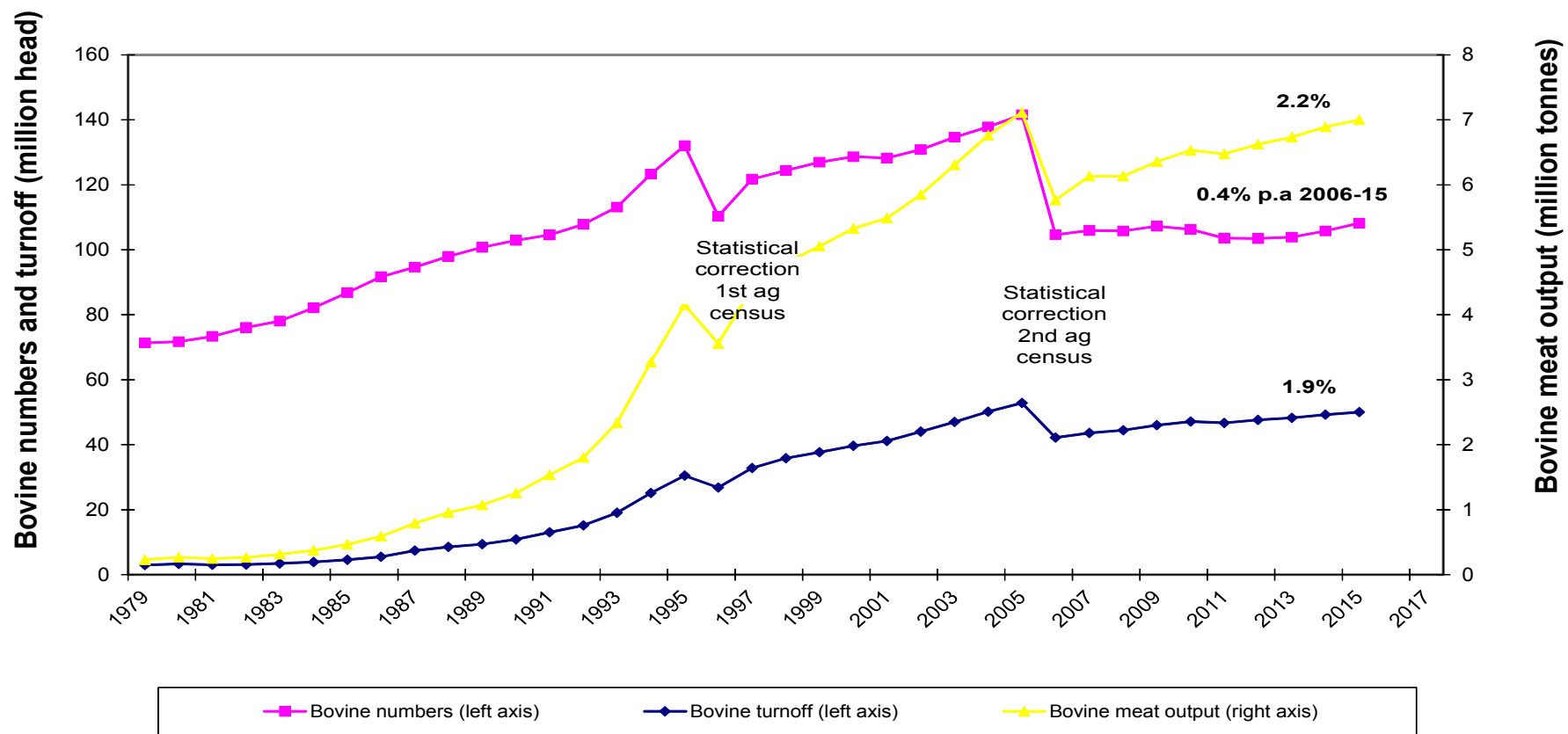


## Indicators of Chinese agricultural transformation

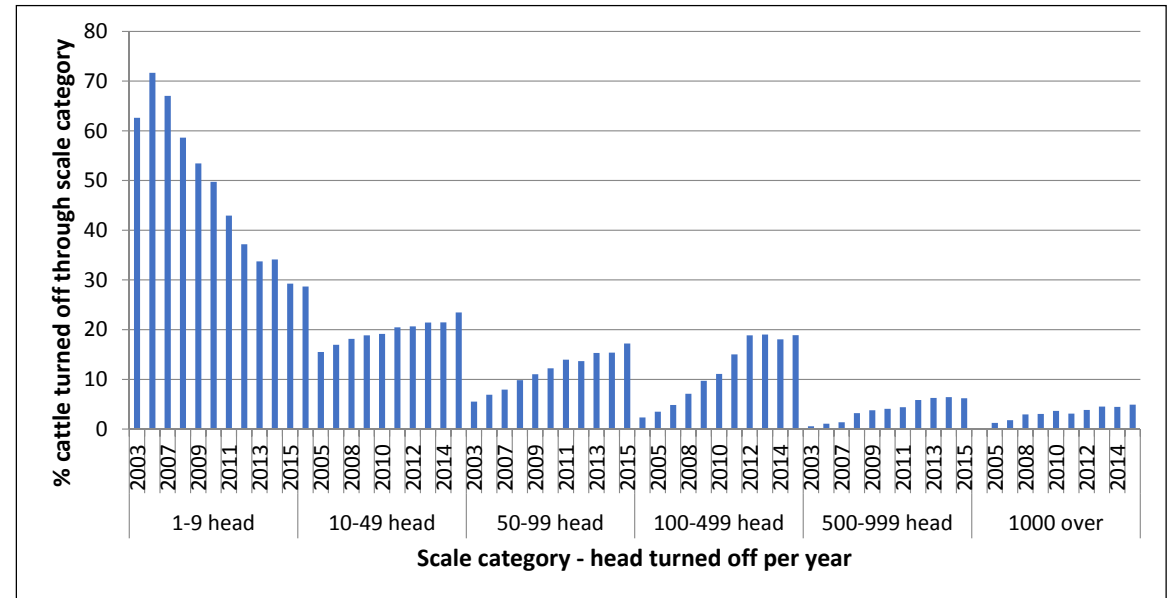
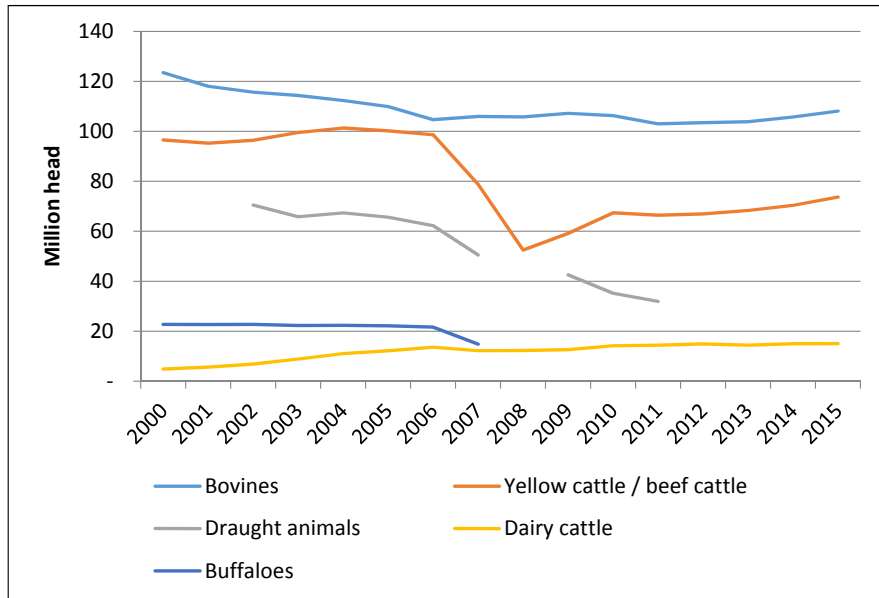
*World Development Indicators, China Statistical Yearbook*

- ❖ Rapid economic growth and urbanization has
  - ❖ Increased beef consumption
  - ❖ And prices – notionally increases producer incentives
  - ❖ But overwhelmed by other factors
    - ❖ Farm mechanisation / draught
    - ❖ Biological
    - ❖ Esp opportunity costs of labour
- = low supply elasticity / response

# Production indicators



# Other changes in production systems



## Composition of the Chinese bovine herd

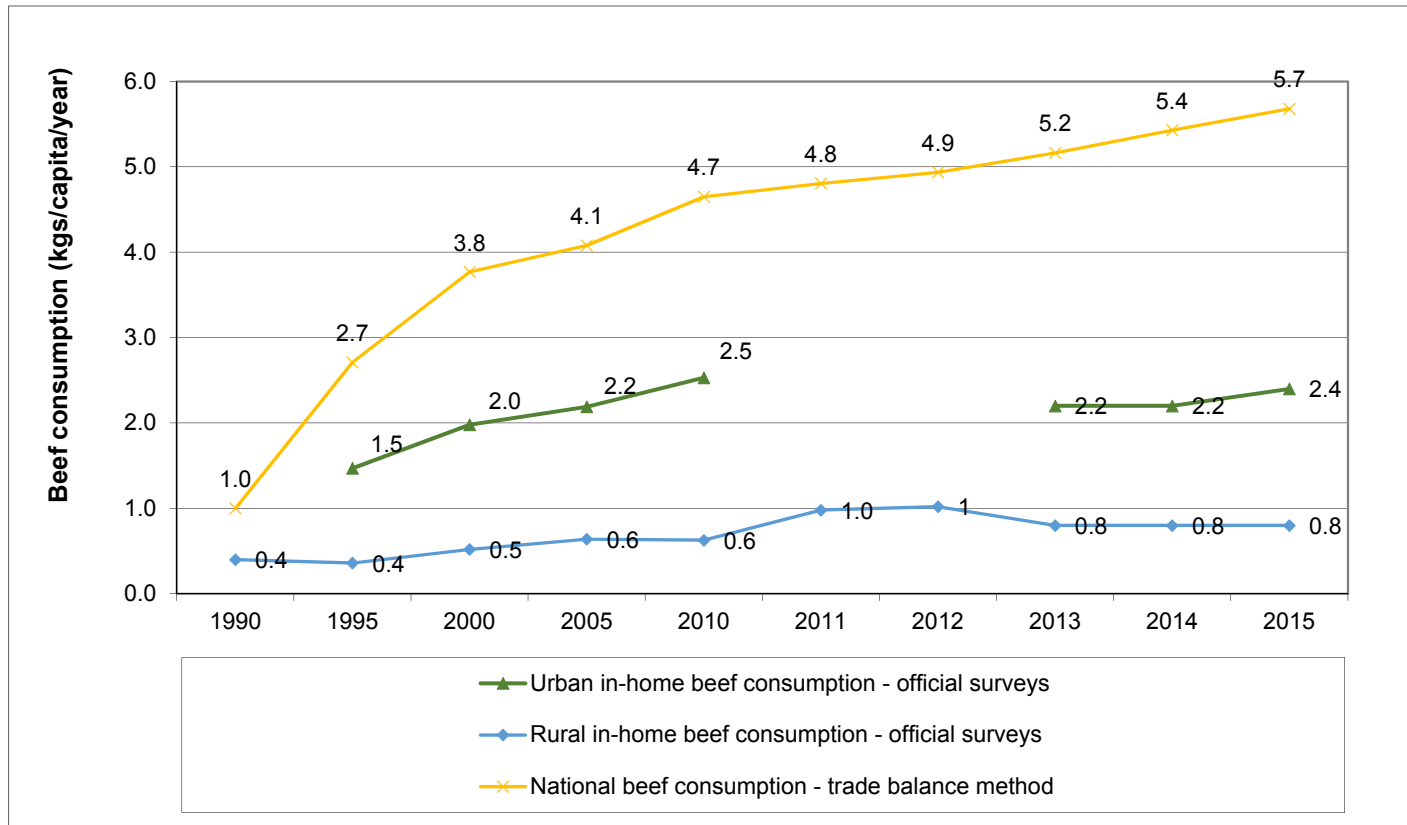
*China Livestock Yearbook*

## Scale of cattle production in Shandong Province

*China Livestock Yearbook*

- 25% of small cattle producers exited the sector over 10 years.
- Cow-calf production is the major production-side constraint

# Consumption



Determinants of consumption growth:

- Population 14%
- Urbanisation 44%
- Other (incomes) 42%

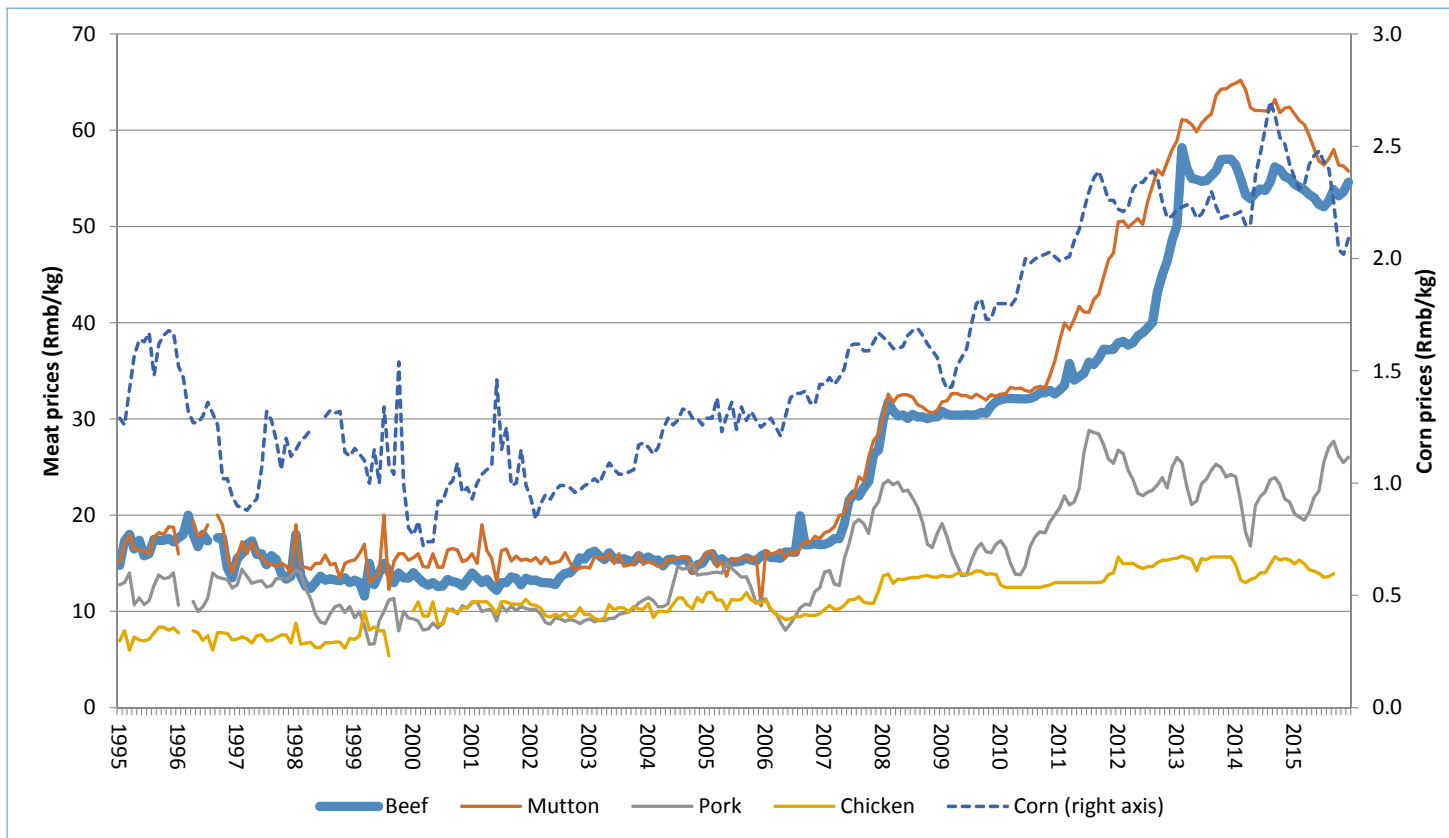
Bai et al. (2012)  
Per capita beef consumption 4.5-7.7kg,  
30% out-of-home

Taiwan beef consumption (2012)  
4.4kg

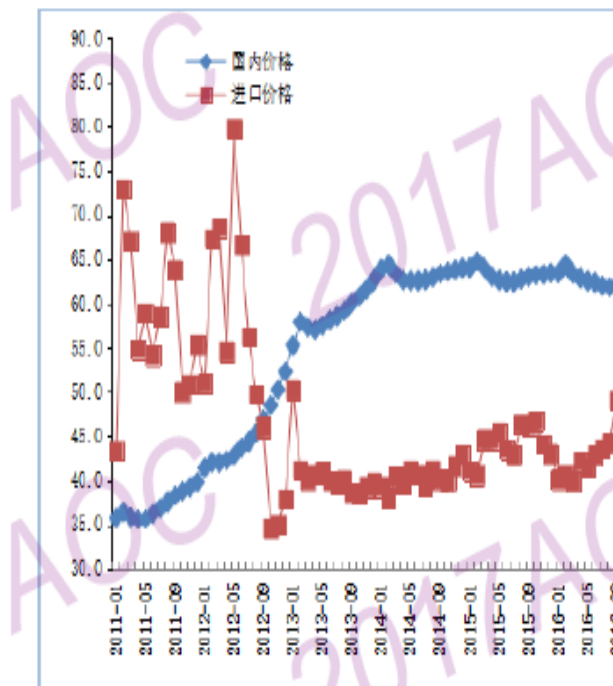
Per capita beef consumption from various data

*China Statistical Yearbook, China Livestock Yearbook, China Customs Yearbook (various years)*

# Prices

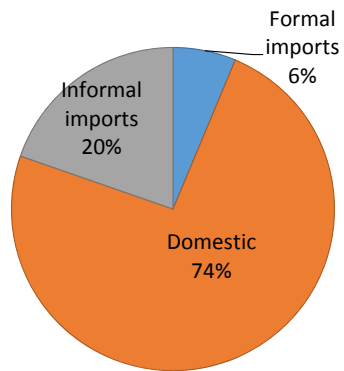


Nominal monthly meat and corn prices in Beijing 1995-2015  
*China Livestock Yearbook (various years)*

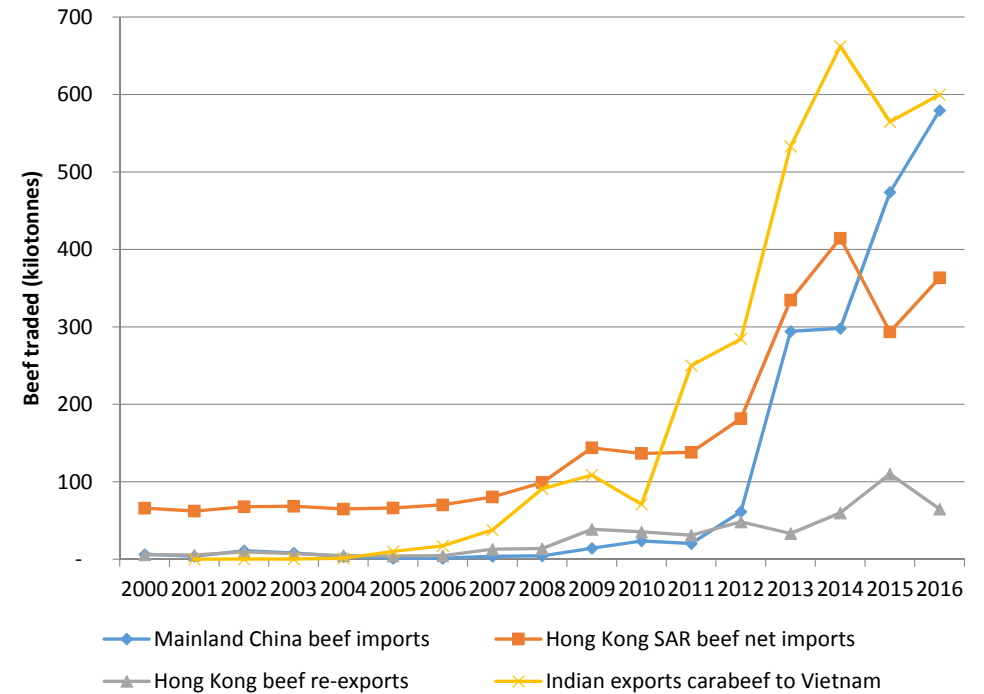
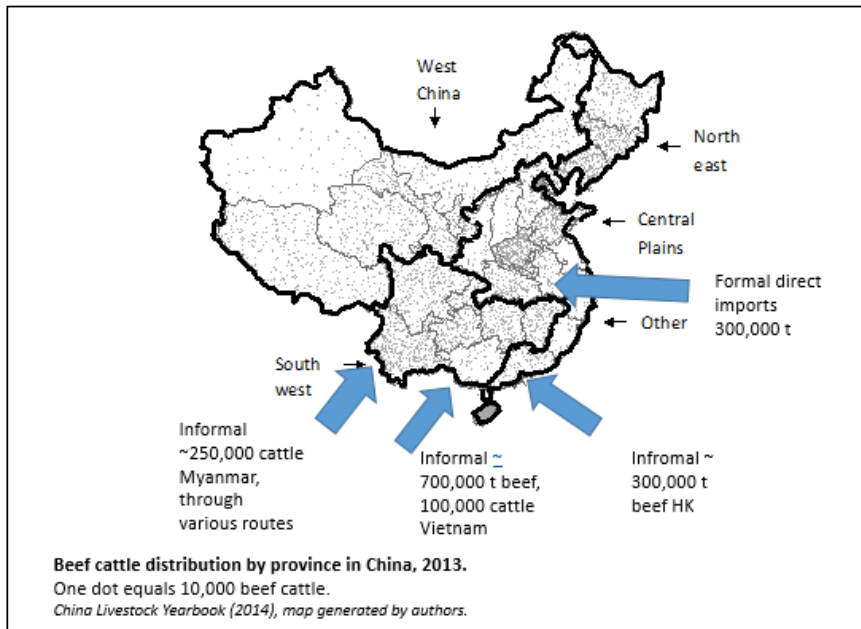


Domestic (blue) and Australian import (red) prices 2011-17  
 (nominal, Rmb)

# Trade

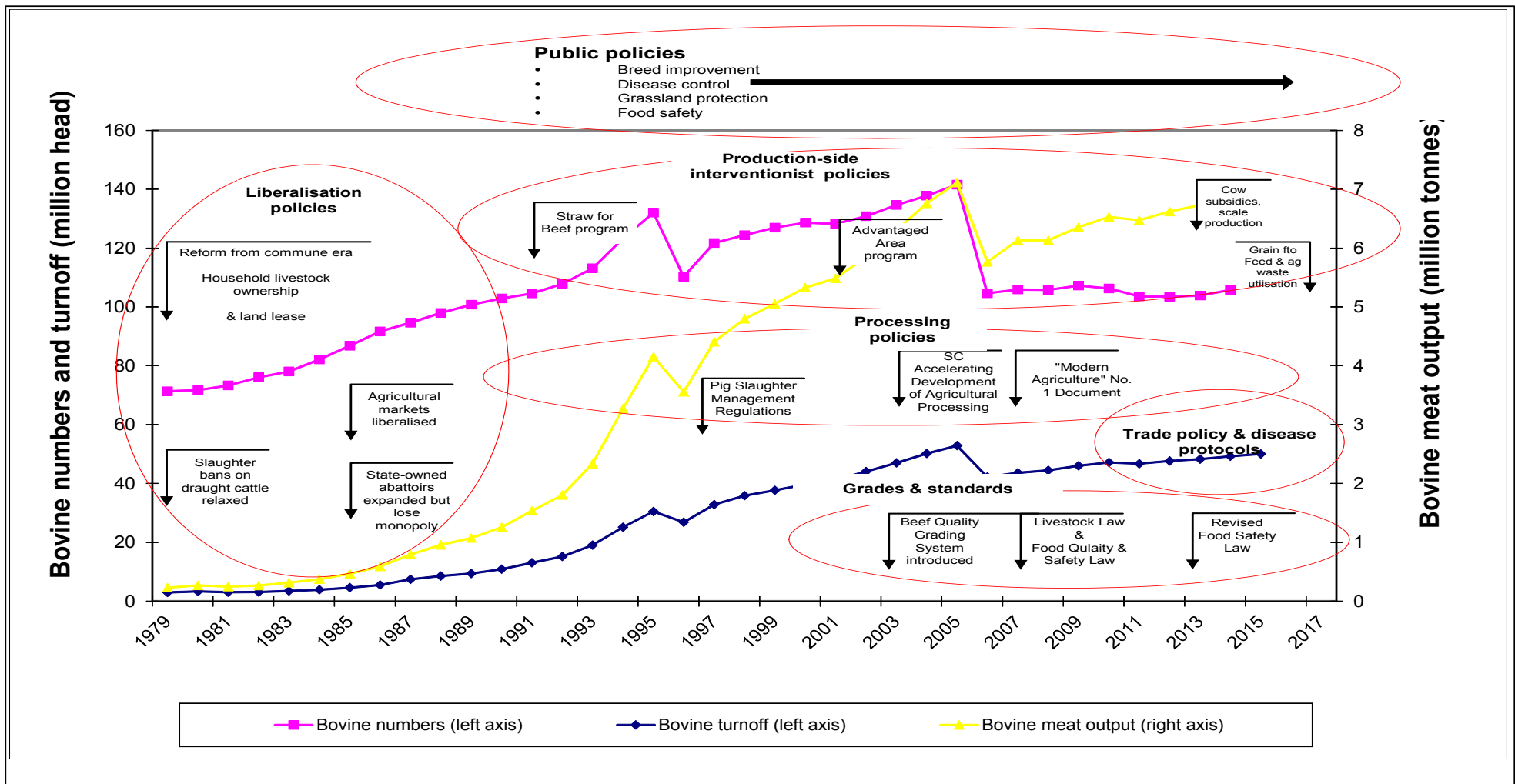


Sources of beef in China, 2014  
ACIAR Project AGB-2016-031



Officially reported beef imports and exports through key routes 1992-2016.  
UNComtrade

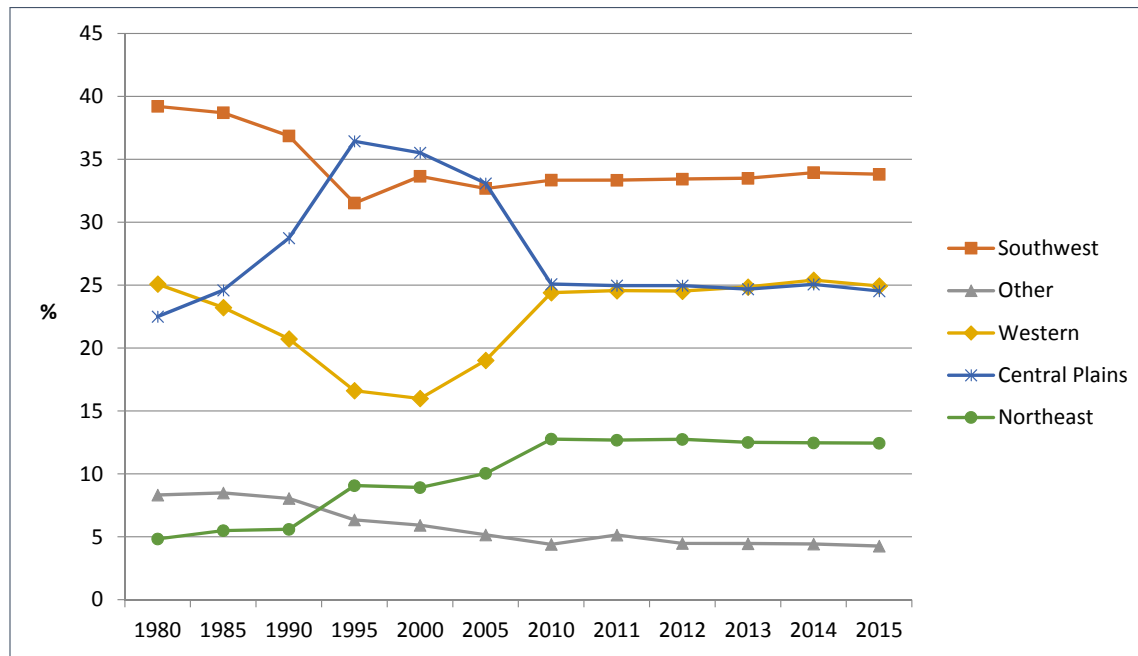
# Trade





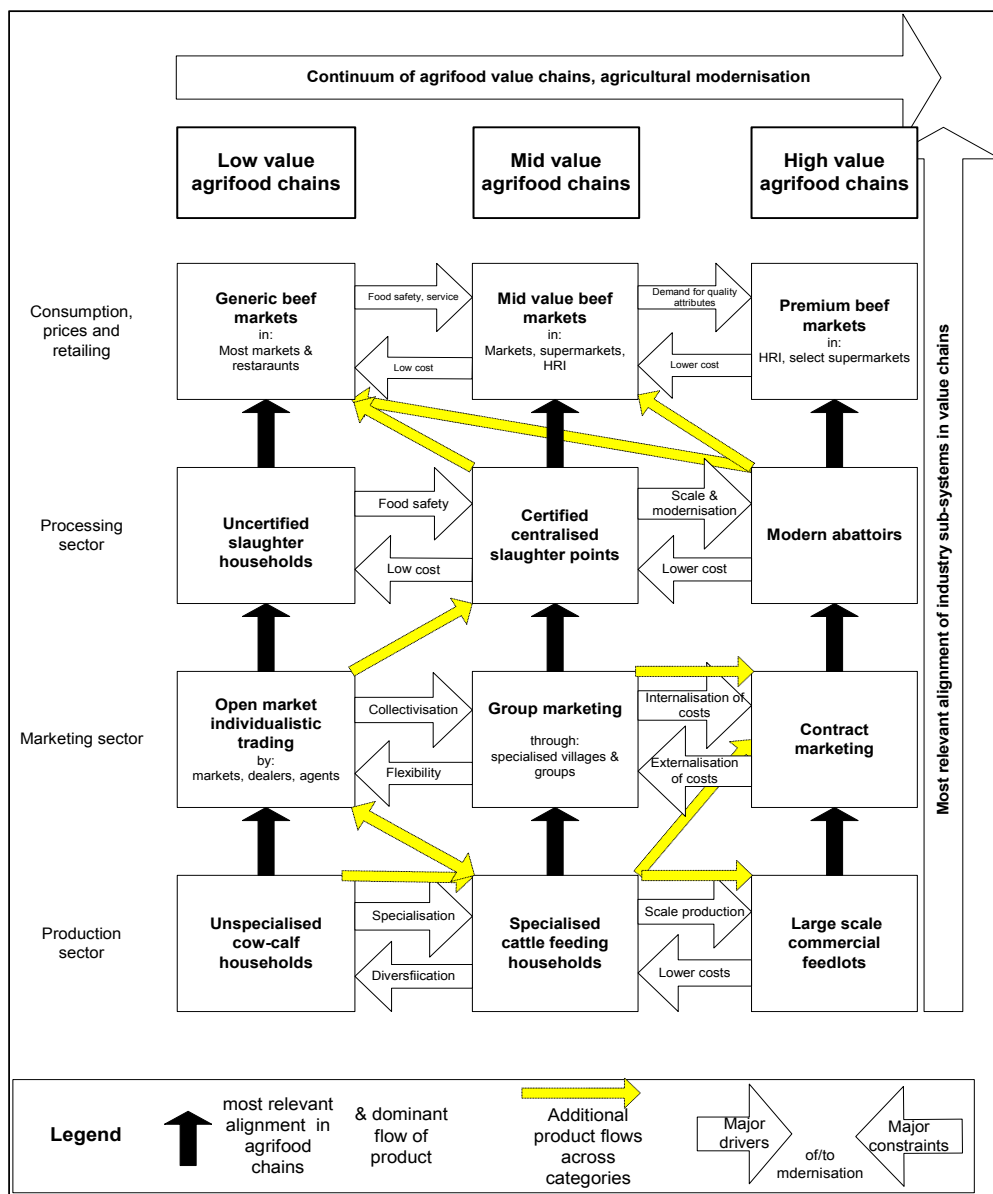
Other slides

# Regional



Relative importance of 5 beef zones in the Chinese bovine herd

*China Livestock Yearbook*



Sub-sectors  
and chains of  
the domestic  
Chinese  
industry