

Slaughter Age Legislation in the UK

BSE and the Over 30 Month Rule

Bovine Spongiform Encephalopathy (BSE) was first detected in UK herds in the early 1980s. Media interest and public concern heightened in 1990 when a spongiform encephalopathy was found in a cat. In March 1996 the first cases of CJD in humans were linked to the bovine disease.

Part of the legislative response focused on the long incubation period of the disease, which meant that infected cattle were rarely found at less than 30 months. Hence the Over 30 Month (OTM) Slaughter Rule saw a ban on the domestic sale of British beef slaughtered at more than 2 years, 6 months of age (2 tooth) .

UK Beef Consumption Pre-1996

Between 1986 and 1995, beef and veal consumption as a share of total meat consumption in the UK declined from 31% to 24%. Per capita beef consumption declined by 35% or 6.7kg per person (Source: The BSE Inquiry: *The Report*).

The BSE Inquiry found that the decline could not be attributed solely to consumer concerns about BSE. The decline was also attributed to the gradual erosion of beef's position in a competitive market by the relatively cheaper prices for pork and poultry.

In this period beef came from 3 main sources:

- Calves from the dairy herd: 41%
- Cull cows (cows that had been utilised for milk production): 22%
- Specialist beef herds: 36%
- Adult bulls and imported cattle: 1%

The quality of beef and the declining per capita consumption in the UK during this period is comparable to the experience of Australian industry since the early 1980s. Around 30% of Australian beef sold on the domestic market comes from old cows, while per capita consumption has declined 20-25% since the early 1980s.

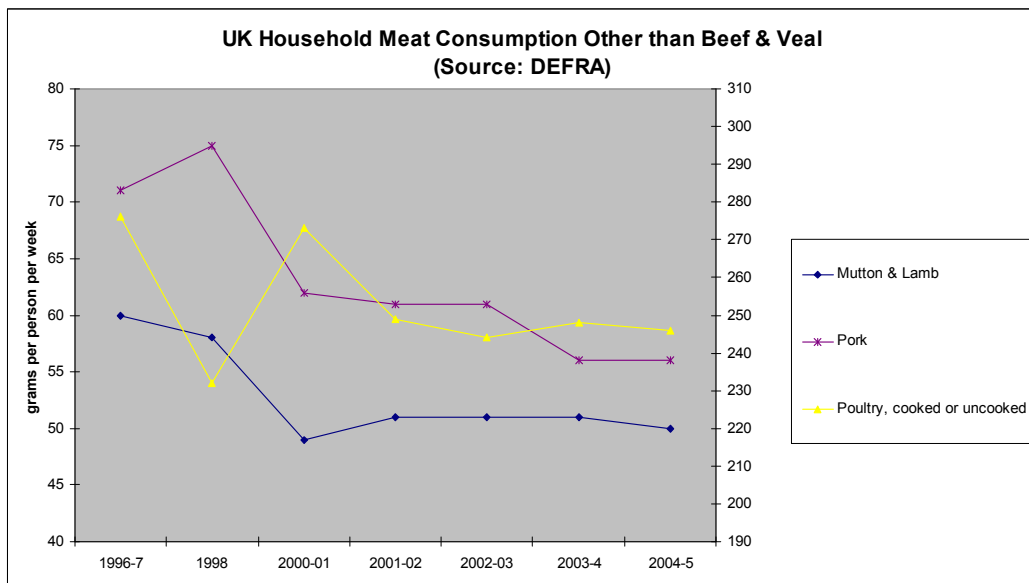
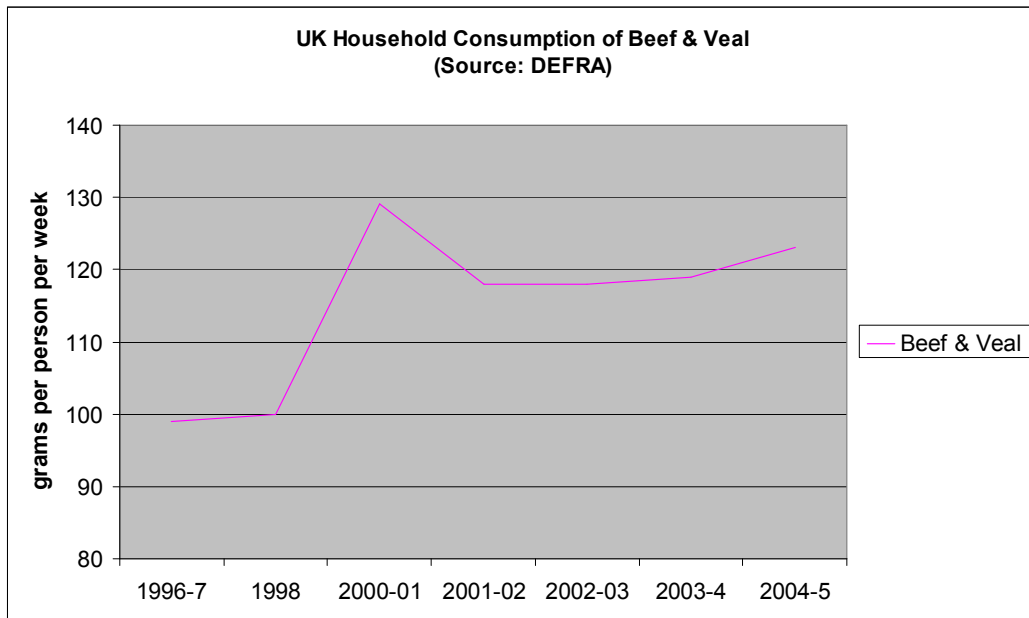
UK Beef Consumption Post-1996

In the five years following the introduction of the Over 30 Month Rule, per capita consumption in the UK increased by 5kg or 31% from 16kg per person to 21kg per person with a longer term trend of (Source: ABARE Economics 30 January 2003).

In the same five year period in Australia per capita consumption fell by 12% with a trend of -8% (Source: ABARE).

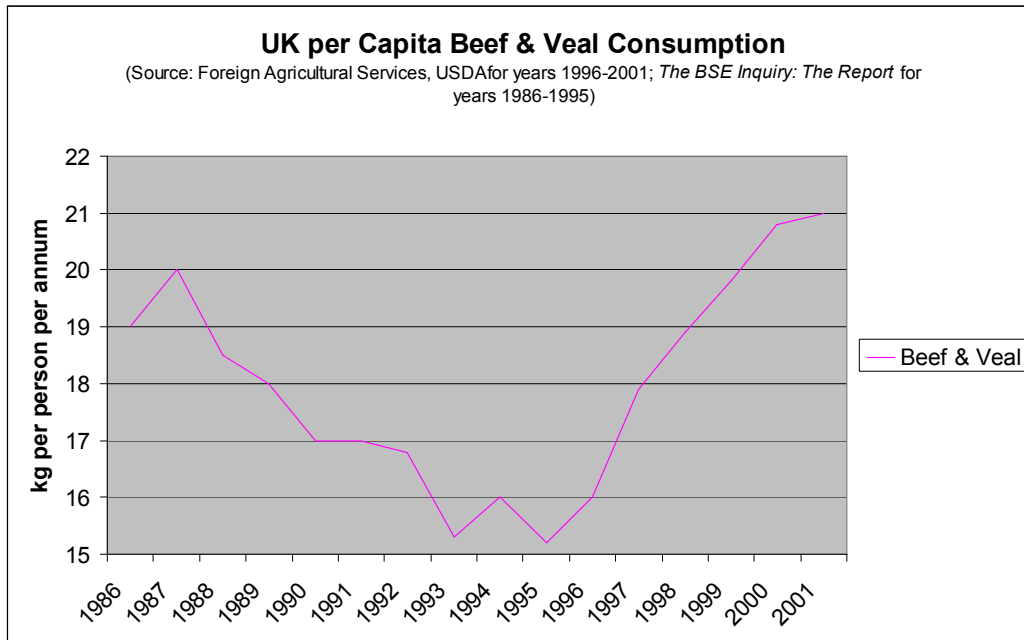
Corresponding to the growth in beef consumption, UK consumers shifted away from competing meats which all experienced reduced consumption on pre-1996 levels.

Mutton and lamb household consumption fell by 15%, pork by 14%, and uncooked poultry by 17%. The only exception to this trend was cooked poultry which rose by 60% (Source: DEFRA Expenditure and Food Survey 2001-2).



The same shift has not occurred in Australia, where consumption of competing meats has risen relative to beef. As a proportion of total meat consumption (beef and veal, lamb and mutton, pig meat and poultry meat), consumption of beef fell from 37% to 32% (Source: ABARE).

The long term trend in the UK shows declining per capita consumption prior to the introduction of slaughter age legislation and steady growth thereafter to levels that had not been achieved since before 1986.



UK Beef Expenditure Post-1996

Household expenditure on beef and veal rose by 33% in the five years following the introduction of the OTM Rule. Whereas mutton and lamb expenditure fell slightly from 29p per week to 27p per week and pork expenditure fell by 22% from 31p to 34p. Expenditure on uncooked poultry fell similarly by 16% from 75.2p to 63p (although expenditure on cooked poultry rose commensurately with the increased consumption of that product) (Source: DEFRA Expenditure and Food Survey 2001-2).

In 2005, when the OTM ban was replaced by an OTM testing regime, household beef consumption had risen by 24% and expenditure by 29% on 1996 levels. On the other hand, expenditure on lamb and mutton, pork and uncooked poultry remained lower than 1996 levels (Source: DEFRA Expenditure and Food Survey 2005-6).

The OTM Rule and Quality Assurance

The OTM Rule succeeded in addressing public concerns about the safety of beef products in light of the outbreak of BSE. Yet beef consumption and expenditure grew well beyond pre-1996 levels in the time that the rule was in force.

The effect of the legislation was not only to reassure consumers that the product they purchased was BSE-free, but to guarantee that it had come from a young animal rather than an old cull cow (which formerly had contributed 22% of all beef sold).

From 1996 onwards, UK consumers were therefore able to have confidence that any beef product they purchased would conform to a minimum standard of quality and consistency.