

## DIFFERENTIAL IN PRICES BETWEEN NI AND GB

FIGURE 1 displays average R3 steer prices in NI from January 2015 to September 2017. As indicated in Figure 1 the deadweight trade for prime cattle in NI has been relatively stable throughout 2017 to date and has been notably firmer than previous years throughout summer 2017.

The average R3 steer price in NI last week was up by a penny to 357.8p/kg. This slight increase follows on from seven successive weeks in which the R3 steer price in NI recorded a gradual decline. In the corresponding week in 2016 the R3 steer price in NI was 341.5p/kg. This increase of 16.3p/kg is the equivalent of a £57 uplift in the value of 350kg R3 grading steer carcase year on year.

While the deadweight trade for prime cattle in NI has been under gradual downward pressure in recent weeks the trade in GB remained relatively stable. There was however some pressure on deadweight prices in GB last week with the R3 steer price back by 1.7p/kg to 382.1p/kg which puts the differential with NI at 24.3p/kg. This is the equivalent of £85 on a 350kg carcase.

During late spring and early summer 2017 the differential in deadweight prices for prime cattle between NI and GB was

almost non-existent and during June 2017 R3 steer prices in NI were actually higher than the GB average. However since early July 2017 the differential in prices between the regions has been steadily widening.

There is some variation in R3 prices across the GB regions as outlined in Figure 2 however the NI R3 steer price is lower than all of them. Scotland continues to have the highest deadweight prices in the UK due to a strong Scottish beef brand and a higher proportion of premium cattle in their slaughter mix when compared to other regions. The average R3 steer price in the region last week was 397p/kg, 39.2p/kg above the equivalent price in NI.

The prime cattle kill in Northern England provides the closest comparison to NI in terms of slaughter mix and the R3 steer price in the region was 376.8p/kg last week. This was 19p/kg higher than the same price in NI which gives a differential of £67 on a 350kg carcase.

Exports of prime cattle from NI to GB for direct slaughter have picked up in recent weeks with 155 prime cattle exported last week. This brings total exports of prime cattle for the month of September 2017 to 411 head compared to 284 head

during August 2017 and 94 head in July 2017. The level of export for direct slaughter however remains lower than September 2016 levels when 589 prime cattle were exported from NI to GB for direct slaughter.

A report commissioned by LMC in 2013 explored the disparity in deadweight cattle prices between NI and GB. A key finding of this report was that a minimum price differential of 12p/kg is needed to make it financially viable for NI producers to export cattle to GB for direct slaughter. With the differential widening to 24.3p/kg last week the live export of cattle from NI to GB for direct slaughter during Autumn/Winter 2017 could continue to increase.

Supplies of prime cattle for slaughter are expected to remain firm during the remainder of 2017 and into 2018 with the latest APHIS figures indicating an 8.5 per cent increase in the number of cattle for beef production on NI farms aged 18-24 months in September 2017 when compared to year earlier levels. There has also been a 7.8 per cent increase in the number of cattle for beef production on NI farms in the 24-30 month age category during September 2017 when compared to September 2016 levels.

Figure 1: Average R3 steer prices in NI January 2015 to September 2017

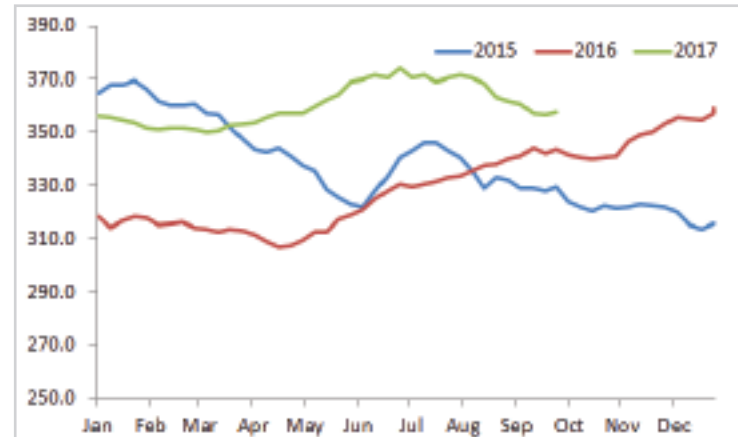
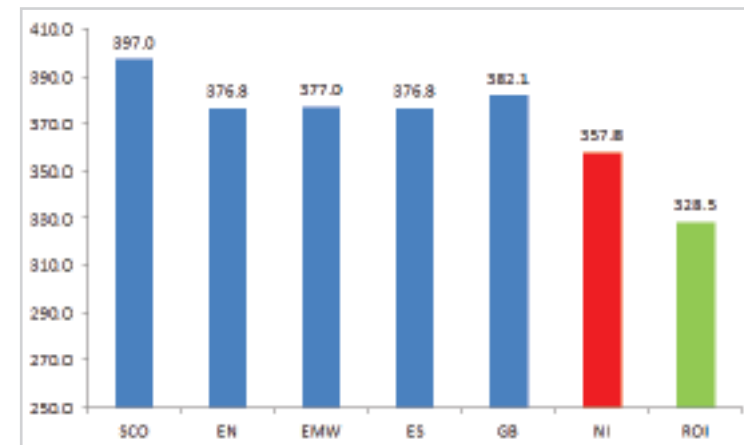


Figure 2: R3 steer prices in GB, NI and ROI w/e 30 September 2017



# SINGLE FARM PAYMENT EXCHANGE RATE

WHEN calculating Single Farm Payments in currencies other than the Euro the member state in question will use the average exchange rate set by the European Central Bank (ECB) during the month of September.

This week the Department of Agriculture, Environment and Rural Affairs (DAERA) has confirmed that an exchange rate of €1=£0.89470 will be used to calculate 2017 Single Farm Payments. This rate will also be used to

calculate the 2017 Young Farmer's Payment.

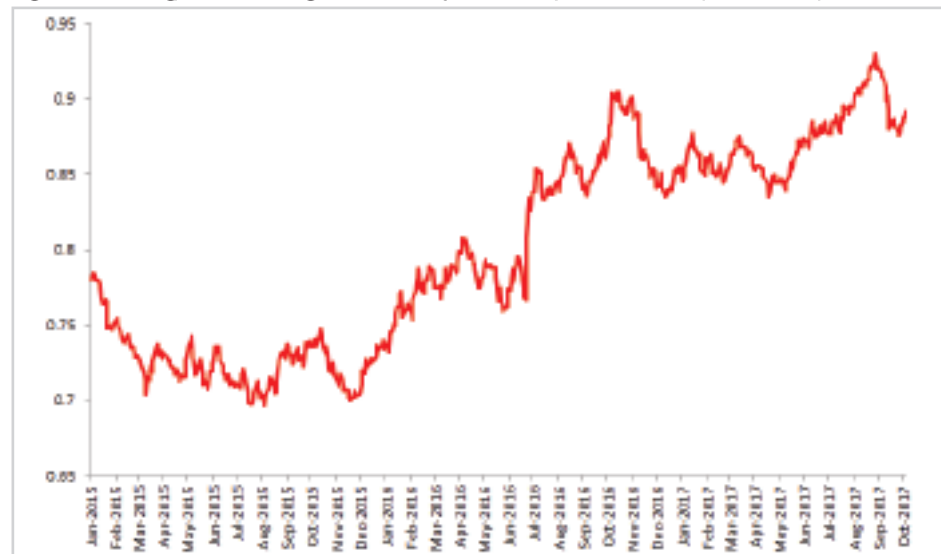
UK and NI producers will benefit from an increase in the value of their Single Farm Payments which have been enhanced by sterling weakening against the euro. In September 2016 the average exchange rate was €1=£0.85228 which accounts for a five per cent increase year on year. It is estimated that the total net value of 2017 Direct Payments to local farmers will be boosted by £13million compared to 2016.

This increase in the total value of Direct Payments follows on from a 16.5 per cent increase recorded last year which represented an estimated £39 million increase in the net value of 2016 Direct Payments to NI producers when compared to 2015 levels.

Basic Payments will continue until the UK formally leaves the EU but it is as yet unclear what format subsidy payments will take when the UK exits the Common Agricultural Policy. There is certainly the possibility of less direct support at farm level and more exposure to world markets moving forward. With this in mind every effort should be made to improve efficiency at all levels of the supply chain as well as securing market access to valuable export markets.

In the short term a weaker sterling has made UK beef and lamb much more competitive on the EU market and this is being reflected by an increase in the level of both beef and lamb exports according to the latest available data from HMRC. In addition there has been a notable decrease in the volume of beef being imported by the UK from ROI, our biggest source of beef imports, as the weaker sterling has made ROI beef more expensive and therefore less cost competitive on UK supermarket shelves.

Figure 3: Sterling/Euro exchange rate January 2015 - September 2017 (Source ECB)



## FQAS NOTICE ONLINE PAYMENTS

LMC has launched an online payment system for the Farm Quality Assurance Scheme. This allows producers to pay annual membership renewal and initial registration fees through the LMC website.

[www.lmcni.com](http://www.lmcni.com)



## BVD PI REMOVAL

### INCENTIVISATION SCHEME

This scheme is now closed. To be eligible for payment the death of the BVD positive calf must be **recorded on APHIS or MC1 stamped by DAERA on or before the 30 September 2017**. Claims for payment must then be submitted to LMC by the 14 October 2017.



### FQAS Helpline

If you have had a recent inspection and need help and advice to rectify any non-conformances, contact the

FQAS helpline:  
028 9263 3024

Answerphone Service  
Factory Quotes &  
Mart Results  
Updated 5pm Daily

Tel: 028 9263 3011

Text Service  
Free Price Quotes sent to your mobile  
phone weekly

Email - [bulletin@lmcni.com](mailto:bulletin@lmcni.com)  
Tel: 028 9263 3000

# WEEKLY BEEF & LAMB MARKETS



## CATTLE TRADE

### NI FACTORY BASE QUOTES FOR CATTLE

| (P/KG DW)                        | This Week<br>02/10/17 | Next Week<br>09/10/17 |
|----------------------------------|-----------------------|-----------------------|
| <b>Prime</b>                     |                       |                       |
| U-3                              | 348 - 354p            | 348 - 354p            |
| R-3                              | 342 - 348p            | 342 - 348p            |
| O+3                              | 336 - 342p            | 336 - 342p            |
| P+3                              | 288 - 306p            | 288 - 306p            |
| Including bonus where applicable |                       |                       |
| <b>Cows</b>                      |                       |                       |
| O+3 & better                     | 260 - 280p            | 260 - 280p            |
| Steakers                         | 140 - 170p            | 140 - 170p            |
| Blues                            | 120 - 130p            | 120 - 130p            |

Cow quotes vary depending on weight and grade. Pricing policies vary from plant to plant. Producers are advised to check pricing policies before presenting cattle for slaughter.

### REPORTED NI CATTLE PRICES - P/KG

| W/E 24/09/17 | Steers | Heifers | Young Bulls |
|--------------|--------|---------|-------------|
| U3           | 357.1  | 361.7   | 349.3       |
| R3           | 353.0  | 354.4   | 348.6       |
| O+3          | 346.3  | 346.6   | 340.8       |

Prices for w/e 30/09/2017 were unavailable at time of publication. \*Prices exclude AA, HER and Organic cattle

### REPORTED COW PRICES NI - P/KG

| W/E 30/09/17 | Wgt <220kg | Wgt 220-250kg | Wgt 250-280kg | Wgt >280kg |
|--------------|------------|---------------|---------------|------------|
| P1           | 177.8      | 189.8         | 201.1         | 214.2      |
| P2           | 188.8      | 215.7         | 236.6         | 248.0      |
| P3           | 209.1      | 240.0         | 255.7         | 258.3      |
| O3           | 235.1      | 247.1         | 267.3         | 278.5      |
| O4           | 260.0      | 238.6         | 273.7         | 280.3      |
| R3           | -          | -             | 287.5         | 297.5      |

## Deadweight Cattle Trade

**B**ASE quotes from the plants for in-spec U-3 grade prime cattle have held steady this week at 348-354p/kg. The majority of plants quoted 350p/kg for steers and 352p/kg for heifers this week with similar quotes expected for early next week. Quotes for O+3 grading cows have also remained steady with the plants quoting 260-280p/kg.

Good supplies of prime cattle have continued to come forward for slaughter in NI with 7,014 prime cattle killed locally last week. This was an increase of 485 head from the previous week and is the highest weekly throughput in NI since the last week of January this year. Cow throughput has also remained strong with 2,379 cows killed last week. This takes total cow throughput in NI for September 2017 to 8,999 head, an 8 per cent increase from the 8,357 cows killed in local plants during September 2016.

Imports of prime cattle from ROI for direct slaughter in local plants last week totalled 123 head with a further 11 prime cattle imported from GB. Prime cattle imports for direct slaughter in NI plants totalled 663 head during September 2017 and accounted for 2.5 per cent of the total prime cattle kill. In the corresponding month in 2016 434 prime cattle were imported for slaughter in local plants and accounted for 1.7 per cent of prime cattle throughput. Meanwhile exports from NI to ROI for direct slaughter last week consisted of 8 prime cattle and 204 cows while a further 155 prime cattle and 26 cows were exported to GB.

The average steer price in NI last week was up marginally to 347.6p/kg while the R3 steer price increased by a penny to 357.8p/kg. The average heifer price in NI last week was back by 2.4p/kg to 350.1p/kg while the R3 heifer price was up by 2p/kg to 358.2p/kg. The average young bull price in NI last week was back 1.2p/kg to 338.1p/kg while the R3 young bull price was back by a penny to 347.6p/kg. The deadweight cow trade has held relatively steady in NI with an average cow price of 250.5p/kg last week and an O3 cow price of 275.3p/kg.

Deadweight cattle prices came under some pressure in GB last week with the average steer price back 2.9p/kg to 370.8p/kg while the R3 steer price was back by 1.7p/kg to 382.1p/kg. The average heifer price in GB last week was back 2.3p/kg to 373p/kg while the R3 heifer price was almost unchanged at 383.3p/kg. Cow prices came under significant pressure across all the GB regions last week with the average cow price back by 6.6p/kg to 244.3p/kg. This is 6.2p/kg below the equivalent price in NI.

Deadweight prices in ROI were back marginally for the majority of reported grades in euro terms last week. A weakening euro against sterling however meant the R3 steer price was back the equivalent of 2.6p/kg to 328.5p/kg while the R3 heifer price was back by a similar margin to 337.6p/kg. This puts the differential with NI at 29.3p/kg for R3 grade steers and 20.6p/kg for R3 grade heifers.

## LAST WEEK'S DEADWEIGHT CATTLE PRICES (UK / ROI)

| W/E 30/09/2017              | Northern Ireland | Rep of Ireland | Scotland | Northern England | Midlands & Wales | Southern England | GB    |
|-----------------------------|------------------|----------------|----------|------------------|------------------|------------------|-------|
| Steers                      | U3               | 359.0          | 338.7    | 395.9            | 378.6            | 376.8            | 383.0 |
|                             | R3               | 357.8          | 328.5    | 397.0            | 376.8            | 377.0            | 382.1 |
|                             | R4               | 357.6          | 327.7    | 397.0            | 386.4            | 376.1            | 384.8 |
|                             | O3               | 347.4          | 310.5    | 369.9            | 349.8            | 346.7            | 354.4 |
| AVG                         | 347.6            | -              | 391.2    | 367.7            | 361.4            | 360.6            | 370.8 |
| Heifers                     | U3               | 361.1          | 348.9    | 398.3            | 388.2            | 387.9            | 390.6 |
|                             | R3               | 358.2          | 337.6    | 394.5            | 373.3            | 381.6            | 383.3 |
|                             | R4               | 357.1          | 336.6    | 395.1            | 378.0            | 381.0            | 383.3 |
|                             | O3               | 347.8          | 323.0    | 373.0            | 359.7            | 353.9            | 361.4 |
| AVG                         | 350.1            | -              | 391.1    | 370.5            | 366.5            | 360.2            | 373.0 |
| Young Bulls                 | U3               | 353.0          | 335.0    | 388.7            | 369.6            | 367.5            | 373.4 |
|                             | R3               | 347.6          | 327.8    | 379.3            | 363.2            | 357.4            | 363.8 |
|                             | O3               | 332.5          | 313.1    | 341.9            | 315.3            | 329.2            | 328.3 |
| AVG                         | 338.1            | -              | 365.2    | 345.0            | 342.4            | 343.5            | 347.3 |
| Prime Cattle Price Reported | 6332             | -              | 6123     | 7019             | 7051             | 4576             | 24769 |
| Cows                        | O3               | 275.3          | 278.5    | 283.6            | 274.2            | 279.9            | 279.8 |
|                             | O4               | 279.2          | 279.1    | 286.0            | 272.2            | 281.9            | 279.4 |
|                             | P2               | 235.6          | 252.6    | 241.6            | 231.9            | 236.4            | 236.1 |
|                             | P3               | 255.7          | 269.6    | 255.5            | 256.3            | 239.5            | 246.9 |
| AVG                         | 250.5            | -              | 275.1    | 242.3            | 239.0            | 241.0            | 244.3 |

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=87.82p Stg  
(ii) Shading indicates a lower price than the previous week.  
(iii) AVG is the average of all grades in the category, not just those listed

## LATEST LIVEWEIGHT CATTLE MART PRICES NI

| W/E 30/09/17                   | 1st QUALITY |     |     | 2nd QUALITY |     |     |
|--------------------------------|-------------|-----|-----|-------------|-----|-----|
|                                | From        | To  | Avg | From        | To  | Avg |
| <b>Finished Cattle (p/kg)</b>  |             |     |     |             |     |     |
| Steers                         | 200         | 210 | 205 | 175         | 196 | 185 |
| Friesians                      | 145         | 151 | 148 | 129         | 141 | 134 |
| Heifers                        | 202         | 217 | 210 | 165         | 197 | 182 |
| Beef Cows                      | 144         | 200 | 153 | 115         | 143 | 130 |
| Dairy Cows                     | 109         | 132 | 115 | 65          | 108 | 88  |
| <b>Store Cattle (p/kg)</b>     |             |     |     |             |     |     |
| Bullocks up to 400kg           | 215         | 249 | 230 | 180         | 214 | 198 |
| Bullocks 400kg - 500kg         | 210         | 235 | 225 | 175         | 209 | 192 |
| Bullocks over 500kg            | 200         | 222 | 211 | 165         | 199 | 182 |
| Heifers up to 450kg            | 205         | 231 | 218 | 165         | 204 | 185 |
| Heifers over 450kg             | 210         | 235 | 220 | 160         | 209 | 185 |
| <b>Dropped Calves (£/head)</b> |             |     |     |             |     |     |
| Continental Bulls              | 280         | 400 | 320 | 180         | 278 | 235 |
| Continental Heifers            | 220         | 325 | 270 | 120         | 218 | 175 |
| Friesian Bulls                 | 130         | 220 | 170 | 70          | 128 | 100 |
| Holstein Bulls                 | 80          | 150 | 115 | 10          | 78  | 45  |

# SHEEP TRADE

## SHEEP BASE QUOTES

| (P/Kg DW)   | This Week<br>02/10/17 | Next Week<br>09/10/17 |
|-------------|-----------------------|-----------------------|
| Lambs >21kg | 370-375p              | 365-375p              |

## REPORTED SHEEP PRICES

| (P/KG)       | W/E<br>16/09/17 | W/E<br>23/09/17 | W/E<br>30/09/17 |
|--------------|-----------------|-----------------|-----------------|
| NI Lambs L/W | 338.8           | 334.3           | 331.9           |
| NI Lambs D/W | 377.7           | 370.5           | 366.6           |
| GB Lambs D/W | 403.7           | 386.9           | 380.1           |
| ROI D/W      | 400.8           | 391.6           | -               |

## Deadweight Sheep Trade

THE lamb trade has held relatively steady in NI this week with quotes for R3 grading lambs of 370-375p/kg up to 21kg. The plants are quoting 365-375p/kg for early next week. Lamb throughput in NI last week totalled 9,095 head, the lowest weekly throughput since early July 2017. In the same week last year 11,801 lambs were killed in local plants. Lamb exports to ROI for direct slaughter last week totalled 7,209 head with 1,603 ewes and rams also exported. The average deadweight lamb price in NI last week was 366.6p/kg, back 3.9p/kg from the previous week. In the same week last year the average deadweight lamb price in NI was 376.7p/kg.

## This week's marts

THE lamb trade in the marts came under some pressure this week with a quieter trade reported in the majority of marts. In Kilrea on Monday 400 lambs sold from 322-329p/kg compared to 500 lambs last week selling from 330-344p/kg. In Saintfield this week 482 lambs sold from 314-360p/kg compared to 703 lambs last week selling from 320-369p/kg. A larger entry of 1,085 lambs in Rathfriland on Tuesday sold to an average of 335p/kg compared to 800 lambs last week selling to an average of 346p/kg. In Ballymena this week 1,925 lambs sold from 290-340p/kg (avg 313p/kg) compared to 2,204 lambs last week selling from 300-353p/kg (avg 323p/kg). Top reported prices for cull ewes generally ranged from £70-90 across the marts this week with a top reported price of £118 in Omagh last Saturday.

## LATEST SHEEP MARTS

| From: 29/09/17 |                | Lambs (P/KG LW) |      |     |     |
|----------------|----------------|-----------------|------|-----|-----|
| To: 05/10/17   |                | No              | From | To  | Avg |
| Friday         | Newtownstewart | 429             | 310  | 342 | -   |
| Saturday       | Omagh          | 1526            | 348  | 388 | -   |
|                | Swatragh       | 1500            | 315  | 367 | -   |
| Monday         | Kilrea         | 400             | 322  | 329 | -   |
|                | Massereene     | 968             | 325  | 352 | -   |
| Tuesday        | Saintfield     | 482             | 314  | 360 | -   |
|                | Rathfriland    | 1085            | 301  | 393 | 335 |
| Wednesday      | Ballymena      | 1925            | 290  | 340 | 313 |
|                | Enniskillen    | 489             | 320  | 352 | -   |
|                | Markethill     | 1500            | 320  | 354 | -   |
|                | Armoy          | 384             | 320  | 372 | -   |

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## A NO DEAL BREXIT IS A LOSE:LOSE SCENARIO FOR BEEF AND SHEEP

**T**HE LMC commissioned study on the possible impact of Brexit, carried out by the Anderson's Centre, paints a challenging picture for livestock farming in Northern Ireland, irrespective of which trading model options are adopted.

Under a World Trade Organisation (WTO) Equivalence model, beef prices improve slightly (circa 4%) due to a more protected domestic market. However, lamb prices are assumed to fall by approximately 10%. This reduction is because of trade with the EU costing more, whilst New Zealand imports are expected to continue.

In addition, variable costs are forecast to show some increases as inflation has an impact. Overhead cost increases are expected to be more pronounced with power, machinery, and labour all rising due to inflation. Drawings also increase

to take account of inflationary pressures in the general economy.

As a result, even with support levels remaining the same, local farm performance levels are predicted to decline slightly and as support is reduced, losses accumulate accordingly.

So much for the good news! A free trade model, involving the UK with the rest of the world, would bring about even greater challenges for beef and sheep farmers in NI. This scenario would have a devastating impact on the profitability of local livestock production, especially if support payments also decline.

Even if support remains the same as now, losses of up £156/ha are envisaged. However, these losses increase again by a factor of two-thirds with a 33% reduction in support

payments. Moreover, losses will more than double if a two-third's reduction in support payments is factored-in.

The wider farming industry would also be affected in a number of ways including: probable changes in overall productivity and a restructuring of the beef and sheep sector. According to the report, the precise nature of such changes is difficult to predict at this point. However, for a farm to survive, its cost base would need to alter substantially. This could be achieved through economies of scale which suggests a major rationalisation of farming with numerous farmers exiting the industry.

In some areas, it is likely to entail a movement towards much less intensively managed systems. But for other farms, this may mean curtailing agri-environmental improvements which

have been made in recent years, thus leading to environmental degradation in some instances.

However, farmers will be forced to consider such dramatic changes in addition to part-time farming as an open-door trade policy scenario plays out. All the while, the industry will have to contend with a more volatile world market and all of the uncertainties that such a potential development brings, in terms of prices and cash flow challenges.

Commenting on the publication of LMC's research report on the 'Impact of WTO Trading on the Northern Ireland beef and sheep meat industry' LMC Chairman Gerard McGivern said, "Our industry stakeholders have been expressing their concerns to LMC about the potential consequences for the industry if the UK and EU fail to agree a

comprehensive free trade agreement in the Brexit negotiations.

The high quality research report that the Andersons Centre has recently produced for LMC really sheds light on the serious consequences of WTO trading, based on real data provided by the meat processing sector. The report has attracted significant attention across the UK, in ROI and at EU level and it puts some real substance into why the UK should aim to negotiate a transitional period of at least five years post-Brexit (with an interim review of progress) in order to safeguard the economic interests of the beef and sheep meat industry after the UK leaves the EU in March 2019.

Copies of the full report can be accessed on the LMC website [www.lmcni.com](http://www.lmcni.com) or are available upon request from 028 9263 3000.



# NIBL FQAS TO BE PROFILED AT ANUGA 2017

# FQAS 25TH ANNIVERSARY DINNER



LMC staff will highlight the unique attributes of Northern Ireland's Farm Quality Assurance Scheme (FQAS) for beef and lamb at Anuga 2017. The event takes place between Saturday, October 7th and Wednesday October 11th. The Commission team will be located on the Invest NI stand at the event.

LMC will host an FQAS 25th anniversary dinner on Tuesday November 7th 2017. The event has been organised as an evening of celebration as the Northern Ireland Beef and Lamb Farm Quality Assurance Scheme marks 25 years of supporting the local redmeat sectors.

The guest speaker will be Professor Patrick Wall, Associate Professor of Public Health at University College Dublin.

According to McLaughlin, FQAS is universally recognised as a measure that has brought great benefit to the beef and sheep sectors in Northern Ireland. "Fundamentally, it has succeeded in giving consumers total confidence in the quality, traceability and heritage of the beef and lamb they are buying."

McLaughlin also pointed out that FQAS is the quality benchmark that must be fully recognised in the context of trade deals entered into by the United Kingdom (UK), once Brexit becomes a reality. "At an industry level the biggest benefit delivered by FQAS has been its role in allowing local redmeat processors to present a positive and verifiable offering to secure new export markets and supply the critically important retail and food service market within the UK. This continues to be the case."

Anuga regularly attracts 160,000 visitors and this year's event will see the latest and most innovative food products developed by 7,400 exhibitors on display. In attendance from Northern Ireland will be Linden Foods, Dunbia, Foyle Food Group, ABP and Hewitt Meats.

## BREXIT – THE IMPACT OF NON TRADE BARRIERS

THE Anderson's Centre report also looks at the impact of non-trade barriers on the local redmeat sectors in a post-Brexit scenario. Factors taken into consideration, in this context, are: enhanced official controls; additional transport and customs' charges, increased administration budgets and product deterioration costs. Under a WTO trading scenario these would add significant additional financial burdens to the industry.

The report also addresses the 'labour challenge' that will confront the processing sector post-Brexit. Labour costs within the NI beef and sheep meat sector (£108.3 million) represent around 10% of the total cost base (£1.08 billion). Given that processors perceive raw materials costs (80% of total) to be dictated by market forces, labour is seen as the key cost area over which they can exercise some control. It is estimated that two-thirds of the labour used in the Northern Ireland beef and sheep meat processing operations is from the EU-26 countries with virtually all of the remainder sourced from Northern Ireland, the UK or the Irish Republic.

Employees from non-EU countries (0.1%) are estimated to account for a minute proportion of total employment in the beef and sheep meat sector. These estimates

suggest that, if there were significant restrictions on migrant labour from EU-26 countries, and this was not adequately replaced by local labour or non-EU migrants, it would pose a major challenge to the Northern Irish beef and sheep meat sector. Some processors claim that the Brexit vote is already having an impact on staffing levels with the UK becoming a less attractive option due to the weakened Sterling. It is also reported that some EU-26 staff are planning to leave the UK in the wake of the Referendum result.

This could mean a significant increase in recruitment costs, which some processors estimate could rise by £2,000 per person (10%) if free movement ends. Furthermore, wage costs are also likely to increase as there could be intense competition for a smaller pool of labour. Processors also believe that a limited migrant labour availability would lead to increased staff turnover and training costs, which would impinge on operations. To mitigate this, several processors indicate that they would have to consider introducing more automation to operations or, in some circumstances, consider moving operations elsewhere. This would be particularly the case if reduced labour availability is combined with WTO trading conditions.

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