



**Submission to Inquiry into Improvements in Animal
Welfare for Australian Live Export Markets**

By

Victorian Farmers Federation Livestock Group

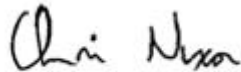
21 July 2011

Foreword

The Victorian Farmers Federation Livestock Group represents the largest group of livestock producers in Victoria and is the only recognised, consistent voice on issues affecting rural Victorian Livestock producers.

The VFF Livestock Group consists of an elected Council, farmers elected by their peers to direct the group and to set policy.

Each VFF Livestock member is represented locally by one of the 230 VFF branches across the state and through their elected representatives at local, district, state and national levels. The VFF also represents farmers' views on many industry and government forums.

A handwritten signature in black ink that reads "Chris Nixon". The signature is written in a cursive, slightly slanted style.

Chris Nixon

President VFF Livestock Group



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Executive Summary

The VFF Livestock group is a strong supporter of Australia's Live Export industry due to both the employment opportunities and market competition for sheep and cattle that it provides to the Victorian Livestock sector. We believe that through Meat and Livestock Australia's work Australian livestock producers have made significant contributions to animal welfare worldwide, and that these improvements are not limited to Australian livestock.

Introduction

The VFF Livestock Group represents the largest group of livestock producers in Victoria. Our membership farm sheep, cattle and goats, and produce both red meat and fibre. Doing this requires not only the day to day activities of running the farm but also taking into account the changing world that goes on around their businesses, all while remaining sustainable and profitable.

The decision by the Federal Government to suspend the live cattle trade to Indonesia following the 4 Corners story on Monday 30th May was of great concern to our members. This should not be seen as Victorian Livestock producers condoning poor animal welfare but as a concern that the Australian Government chose to suspend the trade completely, treating all participants in the market in the same manner, rather than identifying only those supply chains where there are issues that needed improvement.

The VFF did not support this suspension as we felt that it would not solve the welfare issues raised in the 4 Corners report and in fact could lead to worse outcomes overall both in Indonesia and Australia. The Government's decision to suspend the trade not only created problems for beef producers and their livestock but also for diplomatic and trade relations within Indonesia.

The VFF Livestock Group is a member of both the Cattle Council of Australia and the Sheepmeat Council of Australia, and supports the submissions made by these organisations to this Senate Inquiry.

Response to the questions as raised by the Senate Committee

1. Investigate and report into the role and effectiveness of Government, Meat and Livestock Australia, Livecorp and relevant industry bodies in improving animal welfare standards in Australia's live export markets, including:

a) The level, nature and effectiveness of expenditure and efforts to promote or improve animal welfare standards with respect to all Australian live export market countries;

i) expenditure and efforts on marketing and promoting live export to Australian producers;

ii) ongoing monitoring of the subscription to, and practise of, animal welfare standards in all live export market countries;

iii) actions to improve animal welfare outcomes in all other live export market countries and the

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evidence base for these actions.

The VFF believes that Meat and Livestock Australia (MLA) and Livecorp have played a critical role in improving the animal welfare standards in Australia's live export markets on behalf of Australian livestock producers. There is no other organisation that has taken such a proactive position in bettering the animal welfare outcomes in the markets that Australia sends livestock. The work done by MLA and Livecorp in these markets not only improves the animal welfare outcomes for Australian livestock, but for all livestock in these countries and should be commended.

Through MLA, Australian livestock producers invest in the Live Export Program each year. This expenditure is proportional to the levies paid on cattle destined for export markets. This considerable investment is ongoing as industry increases its efforts in assuring animal welfare in destination markets. It should also be noted that MLA's work in overseas markets is not limited to the live trade with the majority of their work being focused on chilled and frozen meat.

- b) The extent of knowledge of animal welfare practices in Australia's live export markets including:*
- i) formal and informal monitoring and reporting structures;*
 - ii) formal and informal processes for reporting and addressing poor animal welfare practices.*

While it is possible for the Australian Livestock sector to make investments in other countries with a goal of improving animal welfare outcomes, we believe that it is unreasonable to believe that we can police or enforce their adherence to our values. It also should be noted that there is not the same levels of industry structure in these markets that exists in Australia.

The current methods being employed by MLA and Livecorp in building relationships, training and education as well as improvements to infrastructure in our overseas markets are appropriate and deliver benefits, and have evolved over time to allow positive outcomes. The VFF is supportive of the continuation of this work.

2. Investigate and report on the domestic economic impact of the live export trade within Australia including:

- a) Impact on regional and remote employment especially in northern Australia;*
- b) Impact and role of the industry on local livestock production and prices;*
- c) Impact on the processing of live stock within Australia.*

From the initial announcement of the closure of the Indonesian trade the VFF was concerned at the impact it would have on the livelihoods of the Northern cattle producers. We were also concerned at the financial impact our members have suffered due to the suspension of trade to Indonesia.

In the weeks following the suspension there was a reduction of around 40 cents per kilogram for manufacturing beef. We do acknowledge that there are a number of other factors affecting cattle prices (supply, seasonal conditions etc.) however we have no doubt that closing the trade to Indonesia had a considerable influence in this drop. This downward price pressure on the markets

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also extended to other classes of cattle where the governments intervention added a feeling of uncertainty. This was clearly demonstrated by the loss of confidence suffered in the Victorian store cattle markets, a market that is significantly influenced by longer term market confidence and certainty. The loss of any other large live export market to either cattle or sheep would have similar consequences.

Conclusion

The live export trade is important to the businesses of Victorian livestock producers, as is the welfare of animals sent to these markets. Accordingly the VFF is supportive of the move to the implementation of OIE standards these live export markets. The ability to swiftly implement this would not have been possible without the work done by MLA on behalf of Australian livestock producers.