

Senate Rural Affairs and Transport References Committee

**Questions on Notice – Thursday, 4 August 2011
DARWIN, NT**

**Inquiry into Animal welfare standards in Australia's live
export markets**

Question Number	Page No's.	Witness	Question asked by	Answered
1	2	ALEC	Chair	14/9/11
2	6	ALEC	Senator Fawcett	14/9/11
1	34	AACo	Senator Xenophon	Unanswered as at 8/11/11
2	34	AACo	Senator Siewert	Unanswered as at 8/11/11
3	34	AACo	Chair	Unanswered as at 8/11/11
1	60	CCA	Senator Siewert	Unanswered as at 8/11/11

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Inquiry into Animal Welfare Standards in Australia's Live Export Markets

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Questions Taken on Notice

Australian Livestock Exporters Council

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2	<p>CHAIR: Thank you very much for that. Can you give the committee an idea of the proportion of protein that we supply in this exporting period to Indonesia?</p> <p>Mr MacKinnon: I could not tell you that exactly. I can take the question on notice and get back to you.</p>
6	<p>Senator FAWCETT: You mention in your opening statement and a couple of times subsequently that what we saw in that footage was not the norm. As part of your supply chain assurance work, have you got a feeling, even in rough terms, as to how many head of cattle go through abattoirs that would equate to Australian standards, how many would meet international standards and how many would be in what we would call the unregulated market—individual beasts sold to a backyard operator somewhere? Post the work you are doing at the moment in supply chain assurance, how would those percentages change?</p> <p>Mr MacKinnon: I suppose the best way of putting it is that it is very difficult to put it under those strict guidelines in Australian standards, international standards and backyard. So I suppose I will answer the question in this way: we have about 11 abattoirs up there that can do about 70,000 or 80,000 a year. That is the capacity just at those 11. There are another 10 stunners going up there and I know of another private organisation that is doing about another 15—so the maths on that, depending on the size of the abattoir. If we use stunning, because stunning is not part of the OIE, as the Australian standard for the moment; obviously it is not but to answer your question—</p> <p>Senator FAWCETT: In simple terms, the public are looking at it and saying: prestunning, upright and inline is best practice, world standard; and then there is what they saw in the footage.</p> <p>Mr MacKinnon: We are going through a stocktake at the moment of the numbers that operate under OIE guidelines. The exact numbers are a daily moving feast, getting larger as we progress. I will take that question on the exact numbers on notice if that is all right.</p> <p>Senator FAWCETT: Even a broad indication. Are we talking about 10 per cent meeting Australian standards, 50 per cent world and the rest local or would the overwhelming majority meet standards that people here would accept? Where are we placed?</p>

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2	<p>CHAIR: Thank you very much for that. Can you give the committee an idea of the proportion of protein that we supply in this exporting period to Indonesia?</p> <p>Mr MacKinnon: I could not tell you that exactly. I can take the question on notice and get back to you.</p> <p>Answer:</p> <p>Beef & veal 2010</p> <ul style="list-style-type: none">• 5,201 tonnes shipped weight to Indonesia in July.• 5,595 tonnes shipped weight to Indonesia in August. <p>Beef & veal 2011</p> <ul style="list-style-type: none">• 6,218 tonnes shipped weight to Indonesia in July.• 3,362 tonnes shipped weight to Indonesia in August.
6	<p>Senator FAWCETT: You mention in your opening statement and a couple of times subsequently that what we saw in that footage was not the norm. As part of your supply chain assurance work, have you got a feeling, even in rough terms, as to how many head of cattle go through abattoirs that would equate to Australian standards, how many would meet international standards and how many would be in what we would call the unregulated market—individual beasts sold to a backyard operator somewhere? Post the work you are doing at the moment in supply chain assurance, how would those percentages change?</p> <p>Mr MacKinnon: I suppose the best way of putting it is that it is very difficult to put it under those strict guidelines in Australian standards, international standards and backyard. So I suppose I will answer the question in this way: we have about 11 abattoirs up there that can do about 70,000 or 80,000 a year. That is the capacity just at those 11. There are another 10 stunners going up there and I know of another private organisation that is doing about another 15—so the maths on that, depending on the size of the abattoir. If we use stunning, because stunning is not part of the OIE, as the Australian standard for the moment; obviously it is not but to answer your question—</p> <p>Answer:</p> <p>We are not measuring against Australian standards or trying to achieve Australian standards - we are assisting the Indonesian meet OIE standards. However at the time of the closure of the trade to Indonesia in June there were 7 abattoirs that where stunning and therefore operating above OIE standards.</p> <p>Senator FAWCETT: In simple terms, the public are looking at it and saying: prestunning, upright and inline is best practice, world standard; and then there is what they saw in the footage.</p>

Mr MacKinnon: We are going through a stocktake at the moment of the numbers that operate under OIE guidelines. The exact numbers are a daily moving feast, getting larger as we progress. I will take that question on the exact numbers on notice if that is all right.

How many would meet international standards?

Answer:

During 2010/11, reviews and assessments were conducted in 64 locations (covering 86 restraining boxes) out of the 91 locations with industry restraining boxes. Through the monitoring, maintenance and upgrade program where over 64 sites were visited, at least 86 restraining boxes were in working order and were operational. SOP training was delivered to staff at facilities using 70 boxes in Java and Sumatra, covering more than 70% of the operational boxes processing Australian cattle. All this work was delivered to ensure facilities could meet OIE standards.

Since the introduction of a new regulatory framework the number of abattoirs meeting OIE guidelines is growing quickly as exporters, Indonesian feedlotter and abattoirs work together to develop supply chains that comply to OIE guidelines. Since the reopening of the trade on 7 July 2011, any new cattle arrivals must be processed through these agreed third party audited supply chains. The actual number of abattoirs that have been audited and are part of approved supply chains is not publicly known. However, it is estimated the number of abattoirs in this group is currently in excess of 20.

The number of audited abattoirs is increasing as feedlotter expand their supply chains.

How many would be in what we would call the unregulated market – individual beasts sold to backyard operator somewhere?

Answer:

This is very hard to know the number of locations where cattle are processed in Indonesia. The Indonesian Ministry of Agriculture is aware of over 700 abattoirs overseen by provincial government authorities, commonly referred to as RPHs (Rumah Potong Hewan or house of animal slaughter) and likely thousands of community abattoirs, referred to as TPHs (Tempat Potong Hewan or place of animal slaughter) known by local government officials but not licensed or monitored.

MLA estimates there were around 130 abattoirs where Australian cattle have been processed. Industry had made infrastructure improvements in 91 one of these locations to assist them meet OIE guidelines.

As per the new regulatory framework, cattle arriving after 7 July will only be processed in abattoirs that have passed audits for compliance to OIE guidelines.

Senator FAWCETT: Even a broad indication. Are we talking about 10 per cent meeting Australian standards, 50 per cent world and the rest local or would the overwhelming majority meet standards that people here would accept? Where are we placed?

Answer:

Covered in the above answer.

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Australian Agricultural Company Pty Ltd

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34	<p>Senator XENOPHON: I understand that people in regional Australia do not want welfare or compensation, but, given the reality that there has been an impact and you are such a major player—and you might want to take this on notice—can you set out what you think would be a fair and reasonable package to deal with those who have already suffered by the loss of income loss of employment. Again, you might want to take that on notice, given what has occurred today.</p> <p>Mr Setter: I think, Senator Xenophon, we would take it on notice and make the comment that it would be possible to calculate the damage and the loss that people have suffered. But, again, everyone wants to put their energy into the resumption of trade.</p>
34	<p>Senator SIEWERT: Regarding the \$8.5 million that you highlighted earlier in your evidence, are you able to take it on notice to provide a breakdown of that \$8.5 million into specific areas?</p> <p>Mr Setter: We can, as long as we operate within the rules and guidelines of the ASX that we operate under.</p> <p>Senator SIEWERT: I understand. Thank you.</p> <p>CHAIR: You may need to take this on notice also, in the season 2009 did you buy or acquire cattle?</p> <p>Mr Setter: Yes.</p> <p>CHAIR: I am fascinated by the fact that down our way one of my nearer neighbours got put in jail for starving 400 cattle. Would you have had the capacity to buy those cattle that starved at Mataranka if someone had offered them to you?</p> <p>Mr Setter: In 2009—</p> <p>CHAIR: You can take it on notice.</p> <p>Mr Setter: I will take it on notice.</p>
34	<p>CHAIR: You may need to take this on notice also, in the season 2009 did you buy or acquire cattle?</p> <p>Mr Setter: Yes.</p> <p>CHAIR: I am fascinated by the fact that down our way one of my nearer neighbours got put in jail for starving 400 cattle. Would you have had the capacity to buy those cattle that starved at Mataranka if someone had offered them to you?</p> <p>Mr Setter: In 2009—</p> <p>CHAIR: You can take it on notice.</p> <p>Mr Setter: I will take it on notice.</p>

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Cattle Council of Australia

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60	<p>Senator SIEWERT: This question may not be appropriate for you and, if it is not, I am going to put it on notice for some of the other producers. When the weight restriction was brought in, the 350 weight restriction, how much notice was given for that process?</p> <p>Mr Brown: David would be more familiar with that than I am.</p> <p>Mr Inall: I could not say, Senator, with any great accuracy. I would say that it was the weeks rather than months. There was some weeks notice but it was not as if the industry was given six months notice. We would have to take it that question on notice.</p> <p>Senator SIEWERT: If you could, that would be appreciated. I am also interested in the impact that had on the industry and how many people were left with animals. I appreciate that they are different animals because they are bigger, but how many were left with animals that they then could not export—if they were left with them, in fact?</p> <p>Mr Brown: I think that you can only assume that it has had a significant impact on the industry because it eliminated those old cows which were way above the weight limit. I am sure that it had an enormous impact on the industry.</p> <p>Senator SIEWERT: I am interested, obviously, in how the industry coped with that and what sort of assistance was available. What impact did it have, if it did, and how did the sector deal with that impact?</p> <p>Mr Inall: I am certainly not aware of any assistance being made available but we can certainly respond in more detail.</p>

