

Senate Standing Committees on Rural Affairs and Transport
Submission

Animal Welfare Standards in Australia's Live Export Market

A Northern Perspective

Executive Summary

Live Export despite four damning reviews has not produced effective animal welfare outcomes acceptable to producers and Australian people.

MLA and Livecorp have no accountability and transparency in their operation of live Export. Millions of dollars have been spent for little outcome.

MLA and Livecorp were aware of animal cruelty and have achieved little in terms of measurable animal welfare outcomes.

Live Export is vulnerable and does not provide long term security for the cattle industry.

Live Export places constraints on development of regional abattoirs and the creation of new jobs.

Government (Commonwealth/State/Territories) have not shown enough support for alternative markets needed for regional abattoirs ie. Dehydration plant; cryovac.

Live Export competes directly with the viability and operation of the meat industry.

Abattoirs and dehydration/meat processing plant would be a valuable asset. Enabling Aboriginal people to develop cattle industries on their land and achieve autonomy.

Land in the NT is classified overall as semi-arid in many regions and along with the other open woodland regions is vulnerable to long term damage from overstocking which is occurring because of live export.

Properties in the NT have approximately 50% level of foreign ownership.

Live Export supports multinational ownership of abattoirs at the expense of small business and small producers

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 practice 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 evidence base for these actions.
 - 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.

There have been three reviews of the export industry two by the Independent Reference Group¹ followed by the Keniry Report² all of these reviews argued for a stronger government control of the live export industry. Results from these reviews have been superficial and always the outcry has been from the Australian public. Judging by the submissions that were received live export has little public support³, despite this the largely unregulated industry continues today. No political party has been prepared to take the backlash for hard decisions.

The 'Four Corners' program that aired 30 May 2011 was a condemnation of the many reviews and amount of money that has allegedly been spent on animal welfare initiatives by MLA and Livecorp and the Commonwealth Government.

¹ 1999 and 2002

² 2003

³ Over 80% submissions received were against live export

MLA LIVECORP and GOVERNMENT Structure Accountability and Expenditure

MLA has again been well-funded by industry and Government to provide services and solutions all geared Towards growing demand for red meat.....⁴

While there have been aggressive marketing campaigns geared towards expanding overseas markets it can be stated that little has been achieved to improve overall animal welfare outcomes. These campaigns have improved overall market share this can be seen as at the expense of animal welfare. Exposures by animal welfare agencies and concerned whistleblowers have been a sad indictment of the live industry both, Government MLA and Livecorp knew of animal welfare problems over a long period of time and have attempted band-aid solutions with Mark 1 – IV boxes some training and advertising.

'Despite these achievements our industry is often the target of emotional rather than science –based attacks on our environmental, animal welfare, eating quality and nutritional credentials⁵'.

The growth of MLA and Red Meat Advisory Council was as a result of the 1998 reforms, MLA is a producer owned service based company. It does not pay tax. MLA provides marketing and research for the entire red meat industry and has feeders from State Farmer Organisations⁶ and National Farmers Federation. MLA in 2009/2010 had \$82.3 million R&D investment aligned to Commonwealth Government priorities in national and rural research⁷ MLA state that their supply chain initiatives under MISP⁸ address community concerns and whole-of-chain efficiencies. There is no mention in their annual reports about any animal welfare committee/subcommittee or even membership of any animal welfare groups or consultations with the same.

Livecorp as a not for profit industry service states as its first focus 'Delivering enhanced animal welfare outcomes' and enhancing the livestock export industry's sustainability and competitiveness through

⁴ MLA Annual Report 2009 -2010

⁵ Ibid p2

⁶ Goat; Cattle Sheepmeat Councils of Australia plus National Farmers Federation.

⁷ Ibid

⁸ Meat Industry Strategic Plan 2004-2009 (MISP)

'Continuous improvement in livestock management, health and welfare throughout the supply chain⁹. Livecorp and MLA as partners deliver programs in Livestock management and welfare.¹⁰ Livecorp argues that they have raised the international benchmark for,

Animal welfare investment and standards through
Our ongoing programs in Australia and overseas
Marketplaces.....maintaining our considerable investment
In animal welfare improvements. Live Trade Animal
Animal Welfare Partnership (LTAWP) between industry
And government builds on the successful Live Animal Trade
Program.....has provided significant animal welfare
Improvements through infrastructure upgrade and training
Programs in overseas markets.

The CEO of Livecorp writes of significant gains in animal welfare from research and development projects. He further states that animal welfare is a 'driving concern' for their industry. It would be fairer to say from the reading of these organisations annual reports that increasing market share and profitability are their primary focus.

While that cannot be criticised, any business that deals in live animals should take legal, moral and ethical responsibility for these creatures as part of the package. Livecorp is not for profit and has tax exemption status and on that basis has more responsibility to the Australian taxpayer because of this. I found information about them difficult to obtain as it was limited online to member only sign in. Also there is no mention of animal welfare committees or sub-committee in their structure. MLA as a producer owned company gets their money from DAFF¹¹ via their animal levy as does Livecorp.

There has been a lack of transparency in their spending and animal welfare outcomes because of a lack of monitoring by non industry professionals. 'The investments made in Indonesia over the past 10 years through the programs funded by MLA, Livecorp and the Australian Government, have improved the capacity of Indonesian

⁹ Livecorp Annual Report 2009-2010

¹⁰ Ibid

¹¹¹ Department of Agriculture Fisheries and Forestry

slaughterhouses to handle Australian cattle and thus assisted in increasing exports to this destination. At the same time, the program has failed to ensure acceptable animal welfare outcomes for those animals¹².

The ABA¹³ raises a number of concerns about MLA's \$700 million expenditure on R&D and their poor levels of accountability and disclosure¹⁴. Their report also raises issues of the inadequate structure that exists for smaller voting member's of MLA despite there being over 46,000 voting. Members votes are based on amounts of cattle being sold which effectively means that a handful of members control the voting at MLA. Allegations have also been raised about the allocation of R&D funds to companies that Director's and major vote holders control as well as project outcomes. Payments to CEO of JB Swift¹⁵ Ian Mars from MLA \$2.4 million. Former Director of MLA Bernard Bindon received \$2.5 million¹⁶. Director Lucinda Corrigan received \$800,000. While funds where Directors companies' benefit is disclosed those to major vote holders are not. The top producers consistently outvote the smaller producers who have been asking for accountability and responsiveness to their concerns.

Knowledge of poor animal welfare practices

It has been common knowledge throughout the industry that live export had no constraints in terms of animal welfare. There have been a number of animal welfare reviews/investigations by animal rights organisations as well as by MLA/Livecorp. The Live Trade Animal Welfare Partnership Report¹⁷ undertook a supposedly independent review of animal slaughter facilities in Indonesia. It assessed 50% of the facilities that processed Australian cattle. This appeared to be only 11¹⁸ even though from other supplied figures there are a larger number of abattoirs that process Australian cattle.

¹² The Slaughter of Australian Cattle in Indonesia: An Observational Study Dr Bidda Jones RSPCA Australia 2011

¹³ Australian Beef Association

¹⁴ Productivity Commission into the Australian Government Research and Development Corporations Model September 2010

¹⁵ A Brazilian owned meat processing company

¹⁶ As quoted in 7.30 report 16 June 2011

¹⁷ 2009/10 Final Report Public Release Indonesia Point of Slaughter Improvements

Concerns that arise from this report, among the many others, is despite the time and money that has been spent in Indonesia (the country that is the basis of this report) there are still significant concerns about animal welfare most significantly at point of slaughter. The composition of the panel that undertook this 'independent review' would also give rise to arguments of conflict of interest. In other countries there is no monitoring at point of slaughter or even point of sale Livecorp cite their successful 'in the ute not in the boot' campaign as clearly influencing animal welfare in the Middle East during the peak religious festival Eid Al Aidha and changing animal handling and transport – doesn't it also show individuals taking animals off to whatever fate with no monitoring or even any idea what will happen to them! They follow this line by stating;

'In the Asia Pacific region our meat marketing program has continued to drive beef consumption through programs developed from detailed research and an understanding of factors which may influence regular beef consumption¹⁹.

It is interesting to note that according to the Centre for international Economics in a report that was commissioned by MLA and Livecorp²⁰ in 2010, mortality is the main indicator of animal welfare used in the livestock export industry. This can be considered as a major failing. This is only one of a number of factors that should be used to measure animal welfare outcomes.²¹ The report also states that this industry is highly regulated through the 'value chain' from the farm gate to the disembarkation port. Details of regulatory oversight include MOU's²² the regulatory role of AQIS²³ State/Territory animal welfare regimes²⁴ and finally codes of practice²⁵. 'A major factor enabling livestock exports is government involvement to ensure that acceptable animal

¹⁸ I would question this figure

¹⁹ Livecorp Annual Report 2009-2010

²⁰ Evaluation of the Livecorp MLA and the Australian Government and Industry Partnership The Collaboration and co-investment in the live export program Livecorp and the Live Animal Trade Program Prepared for MLA in August 2010

²¹ These would include stress through handling transportation feeding and eventual slaughter

²² Memorandum of Understanding between Australia and destination countries (not the same legal standing as a contract)

²³ Lost much of their funding for inspections over 10 years ago

²⁴ Neither the will (in some cases) or the money to be enforceable at any level

²⁵ Which have been shown time after time to never work

welfare standards are applied to the satisfaction of the Australian community²⁶.

While industry can cite the improvements that have come about through Mark1-1V slaughter boxes (and their animal welfare value is questionable from peer reviewed literature) and improved training in handling procedures for staff involved in all aspects of the industry one questions for the amount of money and time expended, why there are so few good animal welfare results. Looking at the staff employed in abattoirs in Indonesia and the current animal welfare improvements as a result of Australian funding we could say that they seem to be few.

The question that is asked is what is considered by MLA/Livecorp and Government (both Commonwealth/State and Territory) as acceptable animal welfare outcomes? All of these parties have a role to play within this industry.

Death as an endpoint is only one small part of the process that the animal has been through. In the NT where the animal has probably only been handled once or twice in its life for mustering, branding castrating and dehorning it is then forced into a truck driven to port transported for up to 5 days (Indonesia) by sea and then unloaded into strange noises smells and environment. Cattle from the north of Australia know nothing of handling, trucking and the processes of men that lead to their eventual slaughter be it humane or not.

It is admitted that Livecorp and LEP²⁷ mainly work to provide ongoing markets with a focus on animal welfare and that this is a 'defensive strategy'²⁸

The destination countries workforce is largely uneducated with little or no understanding of animal welfare, there are no enforceable animal welfare regulations or penalties, and where the rope casting and throat cutting of fully conscious cattle using multiple cuts is standard practice²⁹

²⁶ Ibid p28

²⁷ Live Export Program

²⁸ Opcit p46

Throughout the history of this trade there have been a number of bans on live exports because of animal welfare concerns and yet problems continue. For the number of reviews and money that has been consumed, most of it taxpayers, one could argue that no government is willing to take a difficult decision – that would be to close down or phase out live export. To satisfy the public this industry has to have an end date.

While it is understood that politics are the dominating factor in decisions of this type, as opposed to animal welfare, because of the large amount of money that is involved in the meat industry³⁰, it can also be stated that a significant number of Australians have expressed their opposition to the continuation of live export. Australia is a country of animal lovers and many Australians have come from farming backgrounds, the ordinary person has become vocal about the lack of care and responsibility exhibited by this industry.

Previous reviews have focused on the problems that occur because of self regulation and self determination, and the Commonwealth Governments' desire to remain free of imposing controls on the industry. The Commonwealth Department responsible for oversight of live export is DAFF³¹. AQIS³² administers the Commonwealth legislation governing the industry. There have been a number of problems associated with the oversight of animals within the 'supply chain' and if there are animal welfare breaches there is no one with overall authority. The Keniry report in 2003 advised that there were inadequate safeguards in place to monitor animal welfare from farm gate to processor³³. It would appear very little has changed. There were the same problems identified in 1990 from the IRG³⁴ from on farm including land transportation; ships and end processing. Limitations in legislation and regulations between the Commonwealth

²⁹ Blaszak 2011:OIE 2007 as quoted in RSPCA The Slaughter of Australian Cattle in Indonesia: An Observational Study Dr Bidda Jones RSPCA Australia 2011

³⁰ Industry states that Live Export generates far less income than processed meat \$600 million to \$9 billion

³¹ Department of Agriculture Fisheries and Forestry

³² Australian Quarantine and Inspection Service

³³ P27 Keniry report

³⁴ Independent Review Group

and States/Territories; problems with third-party system; weaknesses in AQIS powers and lack of clarity of respective responsibilities of government and industry in setting and administering standards³⁵. The Keniry report concluded that the export of live animals can only continue when Government and Industry accept and understand that community concerns about animal welfare are legitimate and will not stop until all issues are addressed.

While addressing the terms of reference to this enquiry it is hard to escape what is a flawed structure in the industry bodies that comprise Livecorp and MLA and to a large extent the Government charged with their oversight.

Options for change

Animal Welfare/Community Representation on Industry Committees

In most other organisations that deal with sentient beings particularly in terms of teaching and research, the committees are made up of representatives of industry; research; animal welfare and community representatives and well as government organisations who provide a percentage of funding as well as someone involved in the care of animals. An example of this type of committee would be Animal Ethics Committees set up under the auspices of NHMRC³⁶ and relevant animal welfare legislation for different jurisdictions.

The alternative is a dismantling of the current structure of these companies as there appears to be a multiplicity of organisations within the industry that could absorb the functions of MLA and Livecorp.

I note that HSI³⁷ are advocating for an Australian Animal Welfare Council and also refers to a non-departmental public body to provide independent advice on animal welfare issues. They also propose similar membership to that I have argued for above.

Regulation and Legislation (within Australia)

³⁵ Ibid pp28

³⁶ National Health and Medical Research Council Section 2 Responsibilities of Institutions and their Animal Ethics Committees p9

³⁷ Humane Society International

This then leads to the problems associated with different animal welfare legislation in each state/territory and their enforcement by non-government agencies³⁸ (except the NT where government employs two animal welfare inspectors for the whole of the NT) and the poor resources available to them.

The animal welfare issues that have arisen over the time of the live export industry have emerged from their initial transport from farm gate all the way to their eventual slaughter at abattoir. There is no part of this process that is not flawed and has not been criticized. The RSPCA report³⁹ concluded that 'There are substantial problems with the livestock export trade in general and specifically with the Australian Standards for the Export of Livestock in terms of both the quality of the standards and their inability to be properly enforced. While these problems remain unaddressed, there is little hope that the welfare of exported livestock can be adequately protected during any stage of the journey from farm to export pool. Combined with the frequent maltreatment, poor handling and inhumane slaughter of many of these animals in importing countries, the export of livestock remains a significant and seemingly intractable animal welfare issue⁴⁰'.

Regulation and Legislation (overseas)

Countries that we export to are in the main members of the OIE⁴¹ but there has to be complementary laws in the same countries for breaches and sanctions to be enforced. OIE codes are not treaties and are not binding on member states. Membership does not create a body of law within a country that is capable of being monitored, reported or acted upon. It is the same with treaties; they are only capable of being enforced if the member countries both enact legislation to receive them into the law of their country. Also OIE as

³⁸ RSPCA does have some funding from State/Territory governments

³⁹ Australian Livestock Export Standards – a flawed process An analysis of the report *World Livestock Export Standards: A Comparison of development processes, system and outcomes achieved*. Published by Meat & Livestock Australia (2006)

⁴⁰ Ibid p31

⁴¹ World Organisation for Animal Health

has been argued is an organisation for animal health not welfare. That supposes that there are two different standards operating that have different outcomes.

Having said that Australia has no chance of being able to enforce any animal welfare issues within another country.

We would be breaching their sovereignty and territorial integrity to do anything at all.

The legal status of Memorandum of Understandings is also questionable.

There can be an argument of supply and demand that could have been successfully used by Livecorp and MLA to enforce animal welfare outcomes but it would appear that they never proceeded down this path. Financial outcomes have dictated the policies of MLA and Livecorp to the detriment of animal welfare.

Options for change

It has been suggested that an animal welfare inspector should oversee animal welfare at every stage of an animals journey from farm to slaughter house to ensure compliance with animal welfare standards. These inspectors would be employed directly from animal welfare agencies⁴² or set up from an agency sourced from these bodies that would have authority and experience in animal welfare issues in live export. MLA Livecorp and Government (Commonwealth/State/Territory) would fund this agency, without control over them.

Conclusion

In the past a moral government banned child labour not only because it was difficult to imagine any child working in a good environment but because when you give that much power to business over those without a voice it corrupts. In this case we are speaking for those with no voice.

⁴² Animals Australia, Humane Society International, World Society for Prevention of Cruelty to Animals, Voiceless, RSPCA as examples

Final Submission

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.

INTRODUCTION

Historically speaking top end cattle stations were run with less costs.

When my family owned Ban Ban Cattle station from the 1890- 1950's cattle mustering was done on horse back with the help of aboriginal stock men. Mustering camps went out for weeks and cattle lived on vast paddocks with little to no pasture improvement. Buffalo were shot on the station for their hides and cattle were put on the train and were transported to Darwin for slaughter at the abattoir.

BTEC changed the situation dramatically. Buffalo were all but eradicated from the wild, along with the fencing of larger paddocks to smaller paddocks and more control over animals. Intensive production, pasture improvement hiring helicopters and pilots/quad and motorbike mustering followed and greatly increased production costs.

Current production costs for cattle stations places great pressure on profitability. The Live Export Trade has provided the answer with cattle stations over the last 25 years enjoying a "golden age"

HOW MANY JOBS DOES THE LIVE EXPORT TRADE SUPPORT?

- The **Heilbron Report** commissioned by the 'Australian Meat Processor Corporation Limited', and undertaken by SG Heilbron Pty Ltd. Was completed in April 2000 the findings published in the report establish *the Live Export Trade employs just over 3000 people.* These are confirmed as jobs which exist because of the live animal trade. All other jobs claimed by the industry would exist regardless of the continuation of *live export.

The report goes onto say that live exports costs some \$1.7 billion in lost GDP; around \$280 million in household income and about 12,000 jobs – mostly in regional areas

- **The Hassall Report** 1999 a Live Export Industry funded study by Hassall and Associates reported that employment in the live trade is on the increase. The Hassall Report of 1999 had the trade employing over 9,000. This figure was revised in 2006 to 13,000.

The figures provided by the industry in the Hassall report include dentists, doctors, bankers, insurance salesmen even the lady who sold cigarettes to the wife of the man whose brother sometimes drives a sheep truck.

GRIM OUTLOOK FOR JOB GROWTH

- The Live Export Trade has been operating for many years; the capacity for growth of the industry in Northern Australia would be unlikely without causing serious environmental and ecological damage to the land.
- The current introduction of the carbon credit scheme has also given incentives for producers to plant trees and collect carbon credits.

- It could be assumed that the current number of people employed in the Live Export Trade would not grow appreciably if the status quo remains.
- If however there is total commitment undertaken to process meat in Australia and end Live Export, then opportunities for growth in employment in the regional and indigenous areas of Australia is substantial.
- The need to develop regional and remote areas especially in Northern Australia is particularly relevant if you consider the call for decentralization of the Australian population.
- Pressure on central key cities on Australia is growing and there is a need to establish infrastructure in regional and remote areas.

LACK OF JOB SECURITY

- Live Export has been shown to be variable and I believe in the long term future undependable. Recently the total dependence on the Live Export trade has proved to be the industries biggest downfall. It is this dependency that in itself creates vulnerability and should be considered in terms of long term business planning.

The high level of dependence on the Indonesian live export trade is a major business risk to beef producers ...⁴³

⁴³ North Western Australian Beef Abattoirs Pre-Feasibility Study by Rural Industries and Research Development Corporation (RIRDC) 17 September 2010

- Indonesia has set a target of self sufficiency for 2014. The recent suspension of trade will have heightened Indonesia's resolve to fulfill this target.
- Animal welfare issues have historically placed great pressure on the trade, and it seems opinions of the vast majority of Australian's have not been changed.
- When Indonesian's Trade Minister Dr Pangestu raised serious doubts about mandating changes and use of stunning in Indonesian, it does little to facilitate the anxiety of the Australian public and producers alike.

A report commissioned in 2009 by Northern Territory and Western Australian Governments provides forewarning to both governments.

New welfare standards and driver fatigue regulations will impact on the cost of long distance movement of stock in future years. A processing plant in northern Australia would help address these issues when they arise. Producers should seriously consider welfare issues now as to where they market their stock as their options may be limited in the future".ⁱ⁴⁴

A NEED FOR NORTHERN ABATTOIRS

It is a widely accepted view that Northern abattoirs would benefit the cattle industry.

"An export abattoir located in northern Australia would offer great support to the beef industry by providing an outlet for both pregnant

⁴⁴ A Prefeasibility Study of Supply and Demand Issues for a multispecies abattoir in Northern Australia Geoff E Niethe 31 August 2009

*cows and light weight cracker cows..... but the beef industry itself would need to support the operation from establishment.*⁴⁵

An independent report conducted by SD&D Consultants was prepared for the Department of Food and Agriculture Western Australia in September 2010

Conclusions from the report are as follows;

Demonstrated need for a processing sector

- Current indications are that 350kg weight restrictions re-imposed by Indonesian live importers will remain in place for the foreseeable future. There will be an absence of sales options for cattle types excluded – cracker cows, pregnant females, heavy steers, shorthorn stock*
- A long term view of the industry would incorporate the need to start planning for a processing option in preparation for future trends of this nature.*
- Access to abattoir facilities and to a processing stream would be of significant benefit to the beef industry, particularly producers in the most northerly areas. Producers in these areas suffer a significant financial disadvantage in using southern processors, due largely to live cattle freight costs.*

Mining and construction along with defence relocations are set to change populations in some areas significantly. In the Pilbara region Access Economics and Monash University have estimated over 220, 000 new jobs with 240 billion dollars being invested. Growth in the Northern Territory is expected to be around 2% in 2012.

⁴⁵ As quoted in the body of the test RIRDC

ABATTOIRS NOT VIABLE IF USED OPPORTUNISTICALLY.

Established processors will not risk capital in providing a facility that will only be used opportunistically by producers⁴⁶.

Northern Australia's remoteness, lack of large centralized populations, seasonality which can vary from semi arid in the dry to flooding in the wet, puts pressure on regional abattoirs viability.

In an already sketchy environment the key point swinging investors, away from investing in regional abattoirs is the competition which must be faced from live export

The relatively small size of the herd, and annual turnoff volumes, means that any new abattoir would need to command a large percentage of the live trade's current sales volume.

An abattoir would not be able to survive on the live trade's 'discards' alone⁴⁷

For large scale abattoir facilities to operate it has been estimated that 75% of the average live trade would be needed, which means the live trade would need to become a **back up option and not the primary source of market**. An abattoir operator needs to be confident that they have claim over sufficient cattle numbers.

⁴⁶ RIRDC 2010

⁴⁷ Ibid

While the live trade continues to dominate production output in Northern Australia abattoirs would face risks in generating returns⁴⁸.

In 2009 this media release was issued by Willem Westar van Holthe MLA Shadow Minister for; Primary Industry, Fisheries and Resources local Government 04 August 2010 after the proposed opening the Katherine meatworks in 2010 failed

The Northern Territory Government sits on its hands while thousands of Territory cattle disappear over the border into other states In the mean time, Primary Industry Minister, Kon Vatskalis, and the Labor Party have done precious little to support the backers planning to re-open Katherine abattoir .Not once have I heard the Minister publicly support the Katherine abattoir.

It is this lack of support that has dealt the Katherine project a potentially fatal blow. I'd support a Territory abattoir, not just in Katherine, but anywhere in the Top End. I'm prepared to go out a limb and throw my support behind a revitalized meat processing industry in the Territory. It's a shame the current Minister has neither the courage nor acumen to do the same.

When the Live Export trade is wound down then large scale abattoirs' would have the necessary grounds for feasibility.

⁴⁸ Ibid

INTRODUCTION OF DEYDRATED MEAT HARVESTING – MARKET OPTION

Dehydrated meat which comes in a powder form or in cubes is an excellent alternative to compliment processed meat export. The product is used widely in Asian kitchens and is highly regarded as a nutritional food source.

Stephen Beach⁴⁹ a retired International Research and Development Officer has invented a “Universal Food Harvester” The plant can take second grade meat, at point of rural production and convert it in to prime food ingredients.

A prototype of the plant was built and assessed by RMIT in 1999.

Market research for the plant was conducted and interest from large Asian Food House Companies gave it a green light, these companies include;

- Maraubani Coop of Japan
- Citic Group of China
- Food Agriculture Organisation (FOA) United Nations

They advised Mr Beach that they would be interested in taking as much of the dried meat product, as could be supplied.

DEHYDRATION MEAT=INCREASED PROFIT FOR ABATTOIRS

Financial Assessment by Wesfarmers estimated the dehydrated meat to fetch \$15 +- \$3.00 per/kg

⁴⁹ S Beach Mosman Park 08 9384 5501

Wesfarmers viability study revealed a 35% return on the dehydration plant which is attached to an already existing abattoirs and a 20% return on the complete set up of an abattoir with plant

The inventor of the plant Mr Stephan Beach⁵⁰ is available for comment, financial costing and further information

SECOND GRADE MEAT WORTH FIRST GRADE PRICES

The Dehydration plant does not require beef to be fattened, and can process meat, offal, fish and fruit.

The plant can process Buffalo Camel all second grade meats and achieve prices that would be normally being gained from prime cuts. Refrigeration is not required and there are considerable cost savings on freight.

Details of the plant are attached with this submission

INDIGENOUS EMPLOYMENT AND ECONOMIC INDEPENDENCE

Claims that live export employs a significant Aboriginal population are simply untrue. Where there is employment it is only for the few weeks of muster. By contrast, a buffalo and dried meat/fish industry could employ and feed thousands of Aborigines in the Top End, Kimberly, North Queensland and elsewhere. Moreover, this is the kind of industry they can operate without outside interference and this can lead to economic independence and an end to welfare dependency.

⁵⁰ Ibid

YUGUL MANGI GROUP

Yugul Mangi is a name which encompasses some 2500 people, belonging to seven indigenous language groups of the lower Roper River/Gulf of Carpentaria region of South East Arnhem Land. The language groups identify as Mara, Ngandi, Alawa, Nunggubuyu, Rittarrngu, Wandarang and Ngalakan.

This indigenous community at Ngukurr is situated on the banks of some 12,000 square kilometres of the Roper River. It has long history of working cattle stations, the old men of the community (previously ringers and cattlemen) are keen to encourage the young men to take up the interest in cattle.

The community has long argued the importance of Indigenous owned and managed enterprises for the economic development in their region.

Mr William Blackley Business Manger of Ngukurr Community Council and Mr Jonathon Farrell a traditional owner have said they would welcome the initiative of an abattoirs and dehydration plant. It could provide an avenue for their people and land to be developed and utilised in a way that would allow ownership.

REGIONAL AND REMOTE EMPLOYMENT

Some estimates have claimed that Live export cost Australians a quarter of a million jobs in:

A meat processing plant has the capacity to directly employ hundreds of people directly and indirectly;

- Supplies and service industries
- Jobs created by the consumption needs of employees

Jobs like these;

Meat packaging,

Yarning,

Leather tanning,

Leather manufacturing,
Meat distribution,
Package manufacturing
Meat grading dyes,
Meat and bone cutting implements
Organic fertilisers,
Casein,
Meat inspection officers
Butcher's supplies,
Freezing works
Uniforms and laundry services,
Transport services,
Retail
Banking
Energy
Wholesale trade
Hire agencies
Mechanical and other repairs
Banking
Public administration

Financial services,
Communication services,
Administrative
Business services
Health services
Packaging and paper;

Australians need every job we can get, and the elimination of the live export industry will create the biggest explosion in rural and urban jobs in Australia's history.

COSTS

Estimated costs for the construction of abattoirs

Description Cost (\$)

Infrastructure

- Mains Electrical Supply
- Mains Water Supply
- Water Storage and Treatment Facility
- Natural Gas Supply Line
- Sewerage from Amenities

Site Works and Building Preliminaries

- Earthworks & Effluent Ponds

- Fencing
- Temporary Facilities
- Soil Testing & Surveys
- Roadwork and car park

2,800,000

Buildings Works

- Yards, Holding Pens and Lairage
- Main Process Plant, Chillers, Freezers, Loadout
- Boiler House, Engine Room
- Render Building
- Administration & Amenities
- Workshop

9,650,000

Process Equipment

- Main Process Equipment
- Rendering Equipment
- Hot Water Boiler, Heat Exchangers
- Plate Freezers

12,700,000

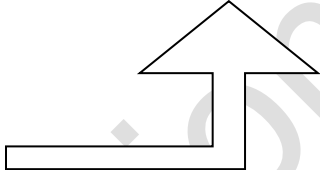
Services

- Refrigeration system
- Ventilation equipment
- Effluent Treatment & Manure Handling- Piped Services

- Fire Services
- Electrical Distribution and Control
6,300,000
Sub Total 31,450,000
Design and Project Management 2,400,000

CURRENT COMPENSATION PAYMENTS
\$30 million from Australian Government
\$ 5 million from Cattle Council
Total 35,000,000

Total Cost of Abattoir 33,850,000



CONCLUSIONS

- It is widely accepted that there is a need for abattoirs in the Northern Regions of Australia
- Large scale operational abattoirs would require 75% of cattle used for Live Export
- Viability of abattoirs on a large scale unlikely if supply chain is not assured.
 - Dehydration plants attached to abattoirs increases profitability.
 - Dehydrating plant provides market access of second grade meat including buffalo

- Northern abattoirs and servicing requirements would further employment opportunities in regional areas
- Northern abattoirs and dehydration plant would provide a gateway for aboriginal cattle enterprise, in areas like Ngukurr to achieve autonomy
- Live export has fundamentally changed the nature of production from one of extensive grazing to fatten bullocks for export meat processing, to that of turning off younger cattle for live export.
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In the words of Jessica Borg, campaigns manager for the World Society for the Protection of Animals (WSPA)

A transition from live export to a viable local processing and chilled meat export system will create a more sustainable industry that benefits animals the farming community, and the rural economy

This submission was jointly written by;
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And

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We both come from rural backgrounds and are not affiliated with any animal welfare organisation. We are not vegetarian, have never before put any submissions to government and consider ourselves part of middle Australia. We were call ourselves part of a concerned majority that want an end to live export. We are available to give evidence before committee required.

Final Submission