



**Submission to the
Senate Standing Committee on Rural Affairs and
Transport**

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

This submission is supported by the following

State Chapters of ALEC

New South Wales Livestock Exporters Association (NSWLEA)

Northern Territory Livestock Exporters Association (NTLEA)

Queensland Livestock Exporters Association (QLEA)

South Australian Livestock Exporters Association (SALEA)

Victorian Livestock Exporters Association (VLEA)

Western Australian Livestock Exporters Association (WALEA)

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Abbreviations

AAV – AQIS Accredited Veterinarian

AEP – Approved Export Program

ALEC – Australian Livestock Exporters' Council

AMIEU – Australian Meat Industry Employees Union

AMSA – Australian Maritime Safety Authority

AQIS – Australian Quarantine and Inspection Service

ASEL – Australian Standards for the Export of Livestock

CRMP – Consignment Risk Management Plan

CWE – Carcass Weight Equivalent

DAFF – Department of Agriculture, Fisheries and Forestry

EYCI – Eastern Young Cattle Indicator

FTE - Full Time Equivalents

GCC - Gulf Cooperation Council

LATP - Live Animal Trade Program

LEAP – Livestock Export Accreditation Program

LEP – Live Export Program

LiveCorp – Australian Livestock Export Corporation

LTAWP - Live Trade Animal Welfare Partnership

MENA – Middle East and North Africa

MLA – Meat & Livestock Australia

MoU – Memorandum of Understanding

OIE – World Organisation for Animal Health

R&D – research and development

SLEVO – State Livestock Export Veterinary Officer (AQIS authorised office)

Introduction

Australia once rode on the 'sheep's back' and had strong linkages with rural Australia. As a result, most of the population had a good understanding of the origins of their food. Today, Australia is in the top 20 most urbanised countries in the world. Many Australians think meat comes from a supermarket and fruit and vegetables can be grown 12 months of the year. The live export industry accepts this growing disconnect between Australian consumers and the origins of their food but also recognises that it creates opportunities for those with particular anti live export agendas to present highly emotive arguments to sway public perceptions.

The 4 Corners footage shown in relation to slaughter practices in Indonesia was totally abhorrent and inexcusable and is in no way condoned by the Australian live export industry. However, the industry challenges just how extensive are these disgraceful practices. They were presented as the norm. They are not the norm!

The Australian live export industry, using its own resources and in partnership with the Australian Government, has implemented a comprehensive training and education program across many export destinations to address animal welfare concerns. It is important to note that the industry has willingly undertaken this work in recognition of its moral obligations in this area. No other exporting country in the world has committed to any similar action.

It must also be recognised that both industry and the Australian Government have spent significant time and effort in addressing animal welfare concerns in those parts of the live export supply chain that are controlled by exporters. The low levels of mortality in those parts of the supply chain are testament to this.

On 31 May 2011 the Minister for Agriculture, Fisheries and Forestry, Senator the Hon Joe Ludwig, announced an independent livestock export review to assist the Australian Government establish safeguards to ensure there is verifiable and transparent supply chain assurance for the whole supply chain for feeder and slaughter cattle consignments leaving Australia.

Australia is the largest supplier of livestock to international markets. The livestock export industry is governed by various Australian Government agencies. For nearly 40 years the industry has pioneered international quality assurance and best practice improvements and is now widely viewed as the global leader in the humane handling and management of livestock. Australia is the only country in the world that invests in improving animal welfare in overseas markets.

The Australian Livestock Exporters' Council (ALEC) is the Peak Industry Council (PIC) for the Australian livestock exporting industry, setting policy and representing its members at all levels. ALEC is made up of 16 licensed livestock exporters who account for approximately 95% of Australia's annual livestock exports, 4 industry members and the six state chapters whose members are directly involved in the export of cattle, sheep and goats.

ALEC works with Government, its members and service organisations to establish policy positions which will assist the industry to continuously improve its performance for the good of the community, the economy and its stakeholders. A key partner is LiveCorp which is the

service provider (research and development, marketing, training and communication) to the Australian livestock export industry. The relationship between the various bodies involved in the live export trade is shown in the attached organisation chart. (Annex 1)

Animal welfare is now a global issue and the single largest challenge for the Australian livestock export industry. In recent times animal welfare has emerged in two forms, dependent on the socio-economic status of a country. They are:

- In developed Western countries where access to food is assured and where consumers display “self actualization” characteristics, there is a growing popularity of “animal friendly” production systems (e.g. free range eggs). This pressure, supported by “animal activists” or “animal liberationists” has increasingly put livestock exports in the spotlight.
- Many developing countries (often key markets for the industry) are more concerned about food security - human welfare is perceived as a greater priority.

The key organisation globally in relation to animal health and welfare is the OIE. The Australian livestock exporting industry aims to meet or exceed the OIE recommended standards for the transport, management and processing of livestock.

ALEC has been in communication with Minister Ludwig since late last year (Reference copies of letters regarding the options and actions being taken in order to accelerate improved welfare standards in the Middle East in Annex 2 and the following summary)

- Annex 2.1 Letter from Senator Ludwig 17th Jan 2011 **Error! Bookmark not defined.**
- Annex 2.2 Letter to Senator Ludwig 24th Jan 2011
- Annex 2.3 Letter from Senator Ludwig 21st Mar 2011
- Annex 2.4 Letter to Senator Ludwig 22nd Mar 2011
- Annex 2.5 Letter to Senator Ludwig 24th Mar 2011

Industry proposed the adoption of a concept of a Supply Chain Assurance (SCA).

The principles of the SCA were set out by ALEC in a letter to the Minister on 22 March 2011, as follows:

- Meet Australian community expectations regarding animal welfare – the live trade’s social licence
- Meet the commercial expectations of overseas customers
- Meet the food security imperatives of our customers’ governments
- Recognise that most responsibility for welfare improvements lies with the industry

- Agree that concerted action by exporters, customers and governments will deliver optimal welfare results
- Sustain the live trade

Extending SCA to include sheep and cattle on long haul voyages brings with it great challenges for industry. The supply line through to the point of slaughter is long and the size and complexity of the challenges around logistics, management, relationships and more should not be underestimated.

Effectively constructed, though, the SCA will deliver the welfare improvements that are being sought and that the industry acknowledges is needed.

The industry is committed to adopting the principles of the livestock export supply chain regulatory approach (being applied to the Indonesian market) in all other feeder and slaughter cattle markets. To be successful, it will be critical to adapt the approach for market specific factors, including cultural and political sensitivities. To justify the required investments under the new approach in Indonesia and other slaughter and feeder cattle markets, the industry will be looking for support from Government with the following:

- Implementation under practical timeframes to allow ongoing market access for Australian producers.
- Financial support to assist industry implementation.
- Support through high level government bilateral engagement
- The restoration of an environment of certainty for the industry.

To ensure that exporters were both aware of the Minister's elevated concerns regarding animal welfare and had the opportunity to contribute directly to the design of a solution, forums on offshore welfare were organised in February 2011. This was reported to the Minister in the letter of the 22nd March 2011. The first forum held in Darwin focussed primarily on the export of cattle to South East Asia. The second held in Perth addressed sheep and cattle exports to the Middle East. Participants at the two meetings represented in excess of 90% of Australia's live export trade.

Following these forums, LiveCorp, MLA, ALEC and key industry partners developed a strategic vision for the industry globally and a specific plan for the cattle trade to Indonesia. These two documents are attached. Together they provided a framework for more detailed planning which will enhance the ongoing programs which have already brought about considerable improvements in-market.

- **Australia livestock export industry strategic vision for in-market animal welfare, May 2011** (Annex 3)
- **Indonesia animal welfare action plan, May 2011** (Annex 4)

Key Messages

The key points that industry wants to bring to the Senate's attention are as follows;

1. Animal welfare is now a global issue and the single largest challenge for the Australian livestock export industry. The Australian industry-
 - 1.1 Has invested significantly in offshore welfare over the last decade,
 - 1.2 But recognises that it will be necessary to invest considerably more henceforth.
2. Australia is the only country to invest in making improvements in the welfare of our animals after they are delivered to international customers with better outcomes for both Australian livestock and local livestock.
3. If Australia withdrew from the international trade in live animals, the impact on animal welfare would be seriously compromised in many of the markets we previously serviced.
4. Opponents of the live trade will not acknowledge the improvements that our industry has made offshore. Moreover, our opponents seem to take a narrow view of welfare issues and appear unconcerned that an Australian withdrawal from our key markets would result in significantly diminished welfare outcomes for local livestock and the imported livestock from our international competitors.
5. ALEC has a high level of confidence in the capacity of MLA and LiveCorp to deliver effective services to livestock exporters, including our expectations of continuous improvements to animal welfare outcomes.
6. Australian exporters have been working closely with the Government in developing supply chain assurance (SCA) in the Indonesian cattle market. The new arrangements, while representing an opportunity to deliver better welfare outcomes, will add substantially to industry costs.
7. The Government has indicated that the Indonesian model will be used to effect welfare improvements in other species and markets that we service. Industry accepts the principles behind the SCA approach but wants the Government to proceed on the basis that our international markets vary greatly – in terms of animal species, cultural norms and business practices. A one size fits all approach would not work and would drive Australia out of some markets.
8. The Government and industry need to work together on the model which will be applied to other markets, but it needs to be applied realistically to get commercially acceptable results
9. As well as partnering with industry in direct investments in offshore welfare upgrades, the Government has supported industry via investments in research and development. Since 1998/99, animal welfare has accounted for two thirds of industry's R&D project funds.

10. The ban on cattle exports to Indonesia has had serious adverse effects in both Australia and Indonesia. Industry and families both directly and indirectly involved in the trade have been hurt and will take many years to recover.

11. Industry is looking for assurances that any sanctions applied by the Government in response to a future supply chain welfare issue will be applied that supply chain only, and not to an entire market or markets. The approach sought by industry is consistent with industry and Government accepting obligations under the new export regime.

12. Industry has made very large investments in live export infrastructure both in Australia and overseas – ships, feedlots, depots etc. Industry has also invested in innovative production techniques such as the production of genetically superior, high quality Brahman cattle that specifically meet SE Asia market requirements and fat tailed sheep for the Middle East.

13. The live trade provides 13,000 jobs, mostly in rural and regional Australia and is a major contributor to indigenous employment opportunities.

14. By providing another competitive selling outlet to producers, the live trade contributes to farming income across Australia by applying upward pressure on prices. These effects, of course, are greatest in the regions from which the majority of the cattle and sheep are sourced.

15. Contrary to arguments from some processors and trade unions, there is little evidence to support the view that the live export trade is detrimental to the health of the domestic meat processing sector. In actual fact the two industries complement each other in all the markets that the Australian live export trade services.

16. Industry is frustrated by the very modest progress towards regulatory reform being achieved by the Export Certification Reform process. AQIS has been too slow, costs are only going in one direction and we still don't have resolution on key reform proposals

The Senate Review

The Terms of Reference for the Senate review of Australia's live export trade are to examine: [ALEC's comments follow each TOR]

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:

ALEC and industry have long been aware of the animal welfare challenges for both large and small ruminants. Unlike other exporting nations, of which there are many, the Australian industry, in partnership with the Government, has delivered broad ranging assistance packages to livestock importing countries. This has involved training, other services and the installation of a significant number of restraining boxes in Indonesia and other countries in Asia and the Middle East. Even in their present form, with correct training techniques and application, the restraining boxes can deliver successful outcomes. DAFF and other departments, together with their respective Ministers, should be proud that Australia continues to make a contribution to improving animal welfare in Indonesia and elsewhere.

Indonesia, like all developing countries, however, does not present easy fixes. Industry believes that a different approach to engagement with the Indonesian Government may well have resulted in a better outcome than the industry crisis that followed the banning of the trade. Australia has provided significant long term foreign aid to Indonesia with a particular focus on health and education, with upwards of \$300 million per annum spent on these and related areas alone. Industry believes that our foreign aid program could also be used very effectively to achieve better animal welfare outcomes in Indonesia. Better animal welfare outcomes would come in two ways: first, through direct investment in infrastructure and training; second, by denying the market to international competitors who have no interest in animal welfare

ALEC, along with exporters and importers and others in the industry, has initiated changes to holding, transport and livestock handling, as well as processing facilities in many countries to which Australia exports. This has been done on the initiative of exporters, partnering with importers and their respective governments, and frequently with the co-operation and support of the MLA/LiveCorp Joint Programme. Progress in some countries is faster than in others and only by a Team Australia approach, together with an understanding of the cultural sensitivities that are required in dealing with some countries, can we improve welfare in some markets in the short term. Others will take longer.

The Australian industry welcomes action by the Australian Government to foster better welfare outcomes through government to government engagement. A bilateral approach will establish the best environment for long term trade, including desired welfare outcomes. A heavy-handed imposition of Australian standards will not work.

The role of the MLA LiveCorp Joint Programme is clearly defined and has been for many years in each of the ALEC, MLA and LiveCorp strategic plans. Successful welfare outcomes in many markets can be clearly demonstrated, with increasing compliance with benchmarks. More work needs to be done and we will only succeed in the more challenging markets by continuing to supply product and work with the industry and governments in destination markets to achieve improved animal welfare outcomes through a partnership approach. Australian supply and support systems, plus engagement by our Government at the highest level with importing country governments, are key ingredients to achieving both short and long term welfare improvements internationally. This partnership approach will give our customers and their governments confidence in Australia's sincerity in pursuing better welfare outcomes. Importantly, it will also reinforce our credentials as a reliable supplier.

Trade bans are not the answer and, in the Middle East, would result in a serious loss of trade in some countries. To meet demand for fresh protein, these countries will look to alternate markets and we may never recover our position in some markets which increasingly have access to East African livestock. Greater reliance on non-Australian sources will also inevitably lead to a sharp deterioration in animal welfare standards. This would be an outcome that no Australian should welcome.

ALEC has a high level of confidence in the capacity of MLA and LiveCorp to deliver effective services to livestock exporters, including our expectations of continuous improvements to animal welfare outcomes.

1.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;

MLA/LiveCorp will provide more details on the costs and nature of the Joint Programme investments in animal welfare. Programme direction and effectiveness across many countries will be explained. Annex 5 summarises Joint Programme projects globally.

ALEC as the peak council plays an active role in the LiveCorp strategic plan and the activities of the Joint Programme which reports to the Federal Government on a regular basis, as required under the Statutory Agreement. These strategic plans are public documents.

In contrast to the significant investments made by the Australian industry and Government in improving animal welfare offshore, to our knowledge, our animal activist critics contribute nothing.

Australia continues to be the only international exporter of livestock that invests considerable levy payer funds and, in some cases government resources, in improving animal welfare in overseas markets.

Given that the Australian Government and community in general are demanding improvements in country of destination animal welfare conditions and conformity to OIE animal welfare standards, the industry suggests that the Farmer and Senate reviews consider the provision of funds out of Govt Aid or other budgets in order to fund major capacity building upgrades of facilities in the counties to which Australia exports livestock.

Were industry to fund this, the cost would need to be factored into sales, rendering our prices uncompetitive. We therefore propose that 75% of funding come from the capacity building allocations in Australia's foreign aid budget (or other budget areas) and 25% be provided through in-kind activity and funding from industry.

The sourcing of additional funds from AusAid (or other government budgets) would complement industry investments and could even enjoy the support of the Australian and international extremist groups intent on attacking the trade and reducing Australian livestock producers' access to important long term overseas markets. RSPCA and Animals Australia criticise efforts made by those who are committed to making a genuine effort to help our trading partners. The presentation of biased, unbalanced media and other attacks on the live export trade unreasonably challenge the rights of Australian and international consumers to access normal food produced under normal conditions. These views are often presented with no apparent concern for diplomatic, social or economic consequences.

1.a.i Expenditure and efforts on marketing and promoting live export to Australian producers;

The LEP communication program has three objectives:

- Encourage greater community and key stakeholder understanding and acceptance of the live export industry by highlighting industry initiatives, achievements, stories and people
- Protect the reputation of the live export industry by ensuring balanced coverage of issues in the media
- Provide key stakeholders with market updates and information on industry activities

The LEP communications program aims to make all stakeholders aware of the livestock export industry, and this is achieved by the development and delivery of a range of information and services aimed at increasing awareness, demonstrating relevance and value, and proactively engaging stakeholders:

Market information – The Livelink publication provides a summary of statistical information about the trade to assist the industry understand market trends. Forecasts for the live cattle and sheep trades are included in the MLA Industry Projections

Research and development (R&D) – provide feedback to producers on the trade and how to improve their production system to better produce livestock suitable to the livestock export trade. This is critical to assisting producers dedicate their resources to delivering a product the market requires and maximising profits. R&D is delivered through:

Publications to assist the producer meet the animal welfare requirements of the trade such as fitness for export and tips and tools on preparing livestock for export.

Industry forums are also conducted such as Beef Up Forums where producers were informed about the live trade, MLA's activities and R&D programs (including animal welfare).

Trade shows and events where the LEP sponsors or provides speakers and/or a stand at events across Australia (e.g. royal shows, ABARE conference, NFF conference, MLA Meat Profit Day etc) to highlight the live export industry to producers (and consumers) and the activities carried out by the LEP.

E-news letter – communications tool to inform producers and exporters on the LEP activities and how levies have been invested on animal welfare activities in overseas countries.

1.a.ii Ongoing monitoring of the subscription to, and practise of, animal welfare standards in all live export market countries;

The challenge, which must not be underestimated, is to maintain trade flows in the face of markets with vastly different cultures to our own. The difficulties in bringing about rapid changes are compounded by the well established and complex marketing and distribution systems in place in some of our markets.

Industry has programs, exporter and third party services and systems throughout the supply chain from sourcing livestock in Australia to delivery to the country of destination. The most significant of these in respect to export market countries are:

1.a.ii.1 Emergency Risk Management

The industry has established and tested Emergency Risk Management Plans for export consignments by air and sea and in Project 4 from the Live Export Reform Agenda, industry is identifying the 'critical control points' along the supply chain that will be used as the basis of a risk management strategy.

1.a.ii.2 MOU's & Emergency Quarantine

Following the Cormo Express incident where the Saudi Arabian Government rejected a shipment of sheep based on a health concern (scabby mouth), the Keniry enquiry recommended measures be adopted to avoid a repeat episode. Once rejected, no other

country was initially willing to accept the Cormo shipment, particularly Gulf Cooperation Council (GCC) countries. This situation presented both welfare and political concerns for Australia.

The solution came in the form of a Memorandum of Understanding (MoU) on the Trade in Live Animals. As part of these MoU's between Australia and importing countries in the Middle East and Africa region, the importing government agrees to discharge livestock in the event of a health dispute. The risk of rejection of the vessel is removed. Most countries in the region (UAE, KSA, Kuwait, Jordan, Egypt, Libya, Qatar, Bahrain and Sudan) have now agreed that if there is a health dispute, the vessel will be unloaded and livestock discharged into a quarantine facility. Countries yet to sign include Iran, Iraq, Morocco, Israel, Lebanon and Syria. Under the MoU's, the importing country has to inspect the livestock within 12 hours of arrival and within 24 hours of the initial inspection must commence transfer of the shipment to a quarantine facility. Some countries have dedicated quarantine facilities and others rely on the importer's feedlot to act as a quarantine facility. The livestock are then assessed by technical representatives and a mutual position agreed on the health status, which may involve additional testing and other measures as required.

When the MoU process was commenced, countries that Australia was already trading with were given time to consider and agree whilst the trade continued through this period. Countries new to buying from Australia were required to sign the MoU before trade could commence. Part of the process adopted to ensure welfare standards at each stage is a joint industry and government assessment of the country's livestock facilities.

1.a.ii.3 Country of Destination Animal Welfare Systems

The industry through the Joint Programme has spent considerable resources in developing livestock handling and animal welfare systems in the countries of destination for all types of animals.

Resources are currently being invested in developing the draft Livestock Export Supply Chain Regulatory Approach in order to ensure that animal welfare issues comply with OIE standards and Australian Government requirements.

While the establishment of a Livestock Export Supply Chain Regulatory Approach is considered achievable for feeder and slaughter cattle, it will not be easy for sheep and breeding stock for the following reasons;

- **Sheep and Goats:** Individual traceability of sheep is near impossible unless on a mob based measure. Even in Australia under the National Livestock Identification System (NLIS) for Sheep & Goats which was introduced on 1 January 2006, identification and tracing of sheep, lambs and farmed goats is via a mob-based system that links animals with the properties on which they have run, rather than an individual electronic tag as for cattle. In-market, SCA will involve ongoing reconciliation and accounting of consignment numbers against each shipment as they leave feedlots and enter the controlled selling/ slaughter system.

- **Breeding Stock:** Breeding stock are high value animals. The overseas buyers of these animals generally take very good care of them as they represent a considerable investment. In addition, exporters usually work with their customers in ensuring that suitable facilities are in place for the animals' discharge, quarantine and final farm of destination. As these animals will be in the country for a considerably longer time than feeder and slaughter animals, it would be onerous and expensive for the exporter to be responsible for monitoring their continued welfare.

As industry funds are provided from the investment of the live export industry's share of levy funds, any reduction in export numbers reduces the funds available for animal welfare issues, which has long been the focus of the Joint Programme. A recent visit funded under the Australia China Agricultural co-operation agreement has reinforced the market potential for slaughter and feeder livestock into China, where animal numbers are being depleted by rapidly rising consumption and falling domestic production capacity. With Australian Government support to promote import protocol changes, together with a measured but firm approach on handling systems, a huge market could be established with significant benefits to Australian livestock producers. A sensible, practical supply chain approach could also reap immediate rewards for animal welfare in China.

In a similar way, there needs to be significant additional support for the emerging markets of Turkey and Russia where livestock demand is escalating at a rapid rate. Similarly, in other markets in Asia, consumption is outstripping the ability of these countries to satisfy demand from domestic supply. If we do not seize this opportunity, these markets will be dominated by frozen meat exporters from other countries who can supply product at more competitive prices than Australian boxed meat exporters.

1.a.iii Actions to improve animal welfare outcomes in all other live export market countries and the evidence base for these actions.

This is a very significant issue and we encourage the Senate Committee to take the time to understand the in-market complexities. This includes the legal status of what exporters can do legally and practically, the multi layers of ownership of animals prior to slaughter and the businesses and the people who will be affected in overseas markets. Over-regulation in this area will break down systems in our big markets. This would have the unintended effect of limiting the volumes of trade that would be able to meet both Australian Government and community expectations.

The reporting procedures within Australia and during shipment is documented and regulated under the Australian Standards for the Export of Livestock (ASEL). For example, the monitoring of the voyages of livestock ships, individual voyage reports advising onboard conditions and cargo outturn are required by both AMSA and AQIS. The ship's master must report to AMSA, whilst the accredited veterinarian or stockman onboard must report to AQIS. This dual reporting helps ensure the accuracy of the information provided to Parliament.

However, until now, neither exporters nor DAFF/ AQIS have had formal control over what happens in any other country. There has been no responsibility to report on the welfare of

animals once delivered into overseas markets. Ownership of the livestock changes hands either at the point of loading or the point of discharge.

Industry has proposed the adoption of a concept of a Supply Chain Assurance (SCA).

The principles of the SCA were set out by ALEC in a letter to the Minister on the 22 March 2011 (Annex 2.4) as follows:

- Meet Australian community expectations regarding animal welfare – the live trade's social licence
- Meet the commercial expectations of overseas customers
- Meet the food security imperatives of our customers' governments
- Recognise that most responsibility for welfare improvements lies with the industry
- Agree that concerted action by exporters, customers and governments will deliver optimal welfare results
- Sustain the live trade

Effectively constructed, the SCA will deliver the welfare improvements that are being sought and that the industry acknowledges is needed. SCA can provide an auditable and verifiable system of monitoring so that industry can demonstrate what has been done in order to improve animal welfare throughout the supply chain.

To ensure that exporters were both aware of the Minister's elevated concerns regarding animal welfare and had the opportunity to contribute directly to the design of a solution, forums on offshore welfare were organised in February 2011. This was reported to the Minister in the letter of the 22nd March 2011. (Annex 2.4) The first forum held in Darwin focussed primarily on the export of cattle to South East Asia. The second held in Perth addressed sheep and cattle exports to the Middle East. Participants at the two meetings represented in excess of 90% of Australia's live export trade.

Following these forums, LiveCorp, MLA, ALEC and key industry partners developed a strategic vision for the industry globally and a specific plan for the cattle trade to Indonesia. These two documents are attached (Annexes 3 & 4). Together they provided a framework for more detailed planning which will enhance the ongoing programs which have already brought about considerable improvements in-market.

1.a.iii.1 Industry Research and Development

The R&D programme prioritises projects across three strategic areas: animal welfare, market access and the livestock export supply chain. Projects operate on-farm, through the pre-export process, on-board livestock vessels and aircraft and into overseas marketplaces and deliver outputs across 5 categories:

- Strategic basic research
- Strategic applied research
- Development
- Adoption and commercialisation
- Capability building

Industry R&D is funded 50% by the Federal Government and 25% each by MLA and LiveCorp.

A summary of industry R&D projects and expenditure is set out in Table 1 and detailed in Annex 5.

Table 1: Research and Development Project Summary (1998/99 to 2012/13)

Area	Number of Projects	Expenditure
Capacity building	6	\$271,698.33
Husbandry	27	\$699,863.19
Market Access	14	\$488,223.69
Market Information	1	\$56,000.00
Monitoring and evaluation	9	\$486,874.92
Supply Chain	10	\$732,205.22
Welfare	118	\$5,552,472.36
Total	185	\$8,287,337.71

Table 1 clearly demonstrates that animal welfare has been a priority for the R&D program. R&D projects have delivered advancements in animal welfare for the livestock export industry and domestic livestock production through a consolidated and strategic program. The R&D strategic plan and focus has been regularly reviewed and updated depending on shifts in priorities and recognised gaps in knowledge (refer to projects LIVE.310, B.LIV.0344, B.LIV.0366 and LIVE.325 - Annex 5).

Since the inception of the joint LiveCorp / MLA live export program, two committees have been responsible for the management and delivery of the R&D program. The live export program R&D management committee (Management Committee) is primarily responsible for approving project terms of reference, contract schedules, budgets, and final reports. The live export R&D advisory committee (LERDAC) through its interaction with stakeholders, provides advice to the Management Committee relating to the strategic direction and principles of the program, project terms of reference, R&D funding and expenditure, project approvals and communication of results to industry.

The Management Committee comprises:

1. LiveCorp CEO;
2. MLA Live Export Manager;
3. MLA Animal Health and Welfare Manager;
4. MLA R&D Manager
5. Chairman of the Live Export R&D Advisory Committee

LERDAC comprises:

1. Four livestock exporters nominated by ALEC;
2. Beef producer nominated by Cattle Council of Australia;
3. Sheep producer nominated by Sheepmeat Council of Australia;
4. Beef producer nominated by the Northern Beef Industry;
5. LiveShip representative nominated by LiveShip;
6. LiveCorp nominee;
7. MLA Animal Health and Welfare Manager;
8. MLA nominee;
9. MLA Live Export R&D Manager
10. Independent technical advisor

In addition to the 185 listed projects (Annex 5) which includes scientific reports, extension material and workshops, the R&D program and its funding has contributed to the more general scientific community. There have been in excess of 25 peer reviewed scientific journal papers that have been generated by industry R&D funding. In addition there have been 10 post graduate degrees either completed or in progress.

1.a.iii.2 Industry Support Material

Industry has developed considerable amounts of industry support material, (Manuals, brochures, posters DVD's etc) for use in the preparation, shipment and discharge of livestock, as well as in-country training. Details of these are attached in Annex 6.

1.a.iii.3 Industry and In-Country Support and Related Matters

A summary of industry animal welfare issues and improvements in SE Asia & the Middle East & North Africa (MENA) is set out in Annex 7.

Young, high quality Brahman cattle from Australia are supplied into Indonesian feedlots which are usually situated in areas where rural employment is a significant problem. These cattle are fed predominantly on locally grown maize chop and agricultural by-products. The feedlot operations support thousands of families through feedlot employment, contract fodder growing and delivery and side-line opportunities such as the composting and packing of the manure output. Closing the trade would create considerable hardship in these Indonesian rural areas.

1.a.iii.4 Industry Commitment

As industry funds are provided from the investment of the live export industry's share of levy funds, any reduction in export numbers reduces the funds available for animal welfare issues which have long been the focus of the Joint Programme.

Given that the Australian Government and community in general are demanding improvements in country of destination animal welfare conditions and conformity to OIE animal welfare standards, the industry suggests that the Farmer and Senate reviews consider the provision of funds out of Govt Aid or other budgets in order to fund major capacity building upgrades of facilities in the counties to which Australia exports livestock.

Were industry to fund this, the cost would need to be factored into sales, rendering our prices uncompetitive. We therefore propose that 75% of funding come from the capacity building allocations in Australia's foreign aid budget (or other budget areas) and 25% be provided through in-kind activity and funding from industry.

We justify this request as follows:

- Despite recent animal welfare issues, the fact is that Australia already has the most humane livestock export standards in the world
- The community wants higher standards yet we already spend more per head on welfare than any other country
- Implementing higher standards, for example universal stunning, would have a one-off significant cost of which the importing countries are either unable or not interested in funding
- This cannot be recouped from sales – it would make industry uncompetitive
- The funds should be drawn from the foreign aid or other government budgets, given that these investments would deliver capacity building in other countries.

Expected outcomes would be;

- Australia would become the unquestioned global leader in animal treatment and handling
- Countries importing Australian livestock would build a capacity to treat them humanely

- Community expectations can be met.
- A much faster outcome than would be achieved with industry funding alone

1.a.iii.5 Ongoing Investment in the Trade

The livestock export industry is serviced by over 20 vessels specifically designed, built or converted to carry cattle, sheep and goats. Australia is seen as a world leader in the transport of live animals overseas but none of the vessels are owned by Australian companies.

Across Australia there exist a number of quarantine assembly depots which are an essential part of the livestock export chain. These too are seen as benchmark infrastructure in preparing animals for the sea voyage. A number of these, too, are foreign owned.

Many of our trading partners have seen fit to invest many hundreds of millions of dollars in vessels and facilities to service the livestock export trade which has in turn afforded Australia a wealth of production opportunities in its livestock sector to the point where it now supports a 1 billion dollar export business.

The sustainability of the trade is thus fortunate to have trading partners who in their need for live animals for their food security are prepared to invest heavily in this industry.

Investment strategies are not short term. The commissioning of new vessels takes 3 – 4 years from design, construction to launching. Costs run to the many 10's of millions of dollars. Similarly, land acquisitions and construction of infrastructure for export depots take months / years of planning, securing environmental approvals, etc, before they become operational.

Australian livestock production opportunities have also seen Middle East livestock traders invest heavily in Australia in their preferred fat tail breeds of sheep destined for overseas markets. The bio-security difficulties surrounding the importation of genetics and the fast tracking of breed and population development through artificial breeding techniques does not come cheaply. Yet this did not dampen the enthusiasm of investors towards a project that for fifteen years and more has provided Australian farmers with an opportunity to produce a relatively high priced specialist product, Awassi ram lambs.

Through this initiative, Australian sheep producers been given an opportunity to diversify and produce something specifically for the market.

In the face of rapidly rising livestock prices, diminishing supplies, unfavourable currency exchange rates and increases in global oil prices, our trading partners have not faltered in their faith in Australia as a reliable supplier of their livestock needs. Nor has there been any question surrounding their continued level of investment to support the export trade and rural Australia.

Industry wants to work with government to ensure that this level of commitment by our overseas trading partners is not put at risk.

1.b) The extent of knowledge of animal welfare practices in Australia's live export markets including:

Maintaining control of a product down the supply chain after an international sale has been without precedent until now. However, industry accepts a moral obligation (noting that exporters have no legal responsibility for a product after sale and in a foreign country) and will continue to work with government (as it has done for many years) to improve in-market animal welfare outcomes. Australian livestock exporters are the only exporters that currently accept this obligation.

Annex 7 outlines animal welfare issues and improvements achieved by MLA/LiveCorp.

1.b.i) Formal and informal monitoring and reporting structures;

ALEC has been proactive in its role in determining the strategic plan which drives the activities of the Livestock Export Joint Programme, which is funded 50/50 by MLA and LiveCorp.

ALEC and its members have embraced and are committed to animal welfare initiatives in many countries in partnership with their importers. ALEC's members have taken considerable steps to upgrade animal welfare along the entire supply chain including on-farm transportation, registered export premises, transport to port, loading, shipping, unloading, in-market feedlots, through to the point of slaughter. There are significant linkages and co-operation between exporters, importers, MLA and LiveCorp in delivering these improvements.

1.b.ii) Formal and informal processes for reporting and addressing poor animal welfare practices.

Once the livestock are landed in destination markets, Australian regulations do not apply to facilities and operatives in these markets. And industry, of course, has no regulatory powers to implement change animal welfare improvements in export markets.

Industry's ability to influence change stems from its on-the-ground presence in export markets, developing relationships over time and working with operators, animal handlers and importer government officers to improve animal welfare.

Industry and the Australian Government take a collaborative approach to animal welfare in livestock export markets, through;

- meeting with government regularly to discuss their live export and animal welfare programs (and seeking signoff for these programs through the Annual Operating Plans of MLA and LiveCorp);
- hosting government visitors to the markets to show first hand industry's activities and where industry and government funding has been invested.

- The Australian Government contributing 50% of the cost (up to a cap) of the Live Export Programme R&D projects.
- The Australian Government fully or partially funding programs that expanded or accelerated animal welfare activities in livestock export markets that MLA/LiveCorp had planned to implement.

In 2009/10 the Live Trade Animal Welfare Partnership (LTAWP) between MLA, LiveCorp and the Australian Government was established. MLA/LiveCorp and DAFF each committed \$1.6 million for three years to fund this Partnership, with the following objectives:

- support projects which enable better animal welfare outcomes in the handling, transport and processing of livestock in importing countries
- support importing countries in their efforts to adopt and implement World Organisation for Animal Health (OIE) animal welfare standards
- provide other assistance as appropriate to advance the bilateral relationship

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

The following key points have been taken from the ABARES Survey of beef cattle producers in northern live cattle export regions, 24 June to 1 July 2011 (Refer Annex 8)

It is estimated that there are approximately 1,460 farm business with more than 100 beef cattle at 30 June 2011, in northern live cattle export regions. Of these an estimated 660 intended to export cattle to Indonesia in 2011 and around 300 of these intended to sell more than 50 per cent of the total cattle turnoff for 2011 for live export to Indonesia. Regions with the highest percentage intending to sell more than 50 per cent of the total turnoff for live export to Indonesia were the Top End-Roper-Gulf and Pilbara-Gascoyne (73 per cent), Victoria River District-Katherine (65 per cent) and the Kimberley (60 per cent).

- In 2011 Indonesian exports were expected to account for approximately or 33 per cent of cattle turn-off in northern Australia
- At the end of June 2011 around 61 per cent, or 365,000 head, remained unsold. Of these, 274,000 were ready for the Indonesian market – with 57 per cent of these in the Northern Territory, 31 per cent from northern Western Australia and 11 per cent from northern Queensland.
- An estimated 176 000 head of cattle would require additional feed or agistment if retained on properties.
- Around 326 employees are estimated to have been either laid-off or not hired between the announcement of the suspension (8 June) and the end of June.
- Nearly half of the properties in northern Australia with cattle remaining for export to Indonesia made changes to business management in response to the suspension of the trade. These changes included deferral of non-essential expenditure on capital, plant, infrastructure and repairs; changed or delayed mustering; returning mustered cattle to mustered areas; delaying loan repayments; and reducing staff numbers.
- Uncertainty about the duration and effect of the suspension was reported to be the most important short term constraint to managing the trade's suspension. Other important constraints included finance and cash flows, insufficient information on alternative markets, availability of feed, and availability of livestock transport.
- Around one-third indicated that they may need to address land degradation issues arising from overgrazing and around 5 per cent of businesses indicated that they would be unlikely to continue to operate beyond a few months if the suspension continued.

2.a) Impact on regional and remote employment especially in northern Australia;

The livestock export industry employs around 13,000 people,¹ predominately in remote and regional areas of Australia. The industry contributes \$1.8 billion to gross domestic product annually and pays wages and salaries totalling nearly \$1 billion annually.²

The higher on-farm net returns received by Northern Australian livestock exporters (compared to alternative enterprises) have flow-on effects to local communities through increased producer spending and consequently local employment.

A host of sectors are dependent on the livestock trade: exporters, port and stevedoring services, shipping companies, road transporters, veterinary, helicopter and other ancillary service providers.

Analysis of the impacts of a cessation of the live export trade on employment indicated that 5,800 full time equivalent jobs (direct and indirect) would be lost within the first year. The net losses from a cessation of live exports will continue to be significant in the medium to longer term, with losses of 4,700 in year five and 3,700 in year 10.³

The live export industry is also a significant employer of indigenous people across northern Australia, where alternative employment opportunities are scarce. The Indigenous Land Corporation (ILC) is the largest indigenous owned, operated or associated enterprise. The ILC plays a key role in developing indigenous pastoral operations in the far north of Australia, the area where the majority of feeder cattle for Indonesia are sourced. The ILC collaborates with more than 80 indigenous properties collectively running over 200,000 head of cattle, employing over 700 people and with approximately 14,000 indigenous people living on or near these pastoral properties. There are no other employment options to these far flung stations.

¹ Hassall & Associates 2006

² Hassall & Associates 2006

³ Clarke et al 2007

2.b) Impact and role of the industry on local livestock production and prices;

In a recent report prepared by CIE (July 2011)⁴ the following conclusions were arrived at;

The export of livestock from Australia has resulted in the following key benefits to the livestock sector:

- an additional market for producers to sell their livestock in — which assists with the management of risk;
- a price premium for animals sold in these markets: cattle and sheep producers throughout Australia, including dairy farmers, take advantage of the price premium received for livestock exports to recover costs as necessary;
- greater capacity for diversification of activities in mixed farming systems across grains, cattle and sheep enterprises; and
- resulting in better management of income variability and risk.
- higher overall prices received by Australian meat industries compared with the without live export case.

The northern Australian live cattle industry, particularly in Western Australia and the Northern Territory, has undertaken significant structural adjustments to target the live export market. More than 90% of total live cattle exports were sourced from the northern region over the period 2006-2009: the Northern Territory 40%, Western Australia 39% and Queensland 13%.

Most live sheep exports are sourced from Western Australia, which supplies an average of 75% of total exports. 14% are from Victoria and 10% from South Australia.

With goat supply chains still developing, the annual goat export volumes and state and territory share of total live exports are subject to wide annual variations. However in recent years the majority of live goat exports have come from South Australia and New South Wales, which contribute 33% and 27% of total exports respectively. The remaining 40% is contributed by Queensland, Western Australia, Victoria and the Northern Territory.

It is widely acknowledged that without live exports, farm gate returns would be lower because of the lower demand for livestock and the higher transport costs involved in transporting animals to alternative markets.

The Global Meat Industries (GMI) model was used to analyse the contribution of live exports of feeder and slaughter cattle and sheep to the Australian red meat industry over the period 2005-

⁴ The contribution of the Australian live export industry, Centre for International Economics, July 2011

06 to 2008-09. It showed that the live trade, on average, significantly increases livestock prices across the Australian red meat industry. It shows that without the live trade, the saleyard price of grass fed cattle would have been 4.0% or 7.8 cents per kilogram Liveweight lower than was experienced over the period; the price of lambs would have been 7.6% or 12 cents per kilogram lower, while the prices paid for older sheep would have been 17.6% or 14.6 cents per kilogram lower on a Liveweight basis.

The model indicated that the impact of the live trade on meat production, consumption and exports, after accounting for changes in prices identified above would have been:

- beef production is estimated to have been 5.1% or 109 kt carcass weight equivalent (cwe) higher in the absence of the live trade; and
- Sheepmeat is estimated to have been 100 kt cwe or 14.6% higher without the trade.

The majority of this additional product would have been diverted to the price sensitive export markets although domestic consumption of lamb would also have increased marginally.

Using the price and quantity outcomes from the GMI model, it was found that the live export industry contributed significantly — on a GVP basis — to the farm level industries. Without the trade GVP each year would have been:

- \$128 million or 1.5 per cent lower for the beef industry ; and
- \$119 million or 6.0 per cent lower for the sheep industry.

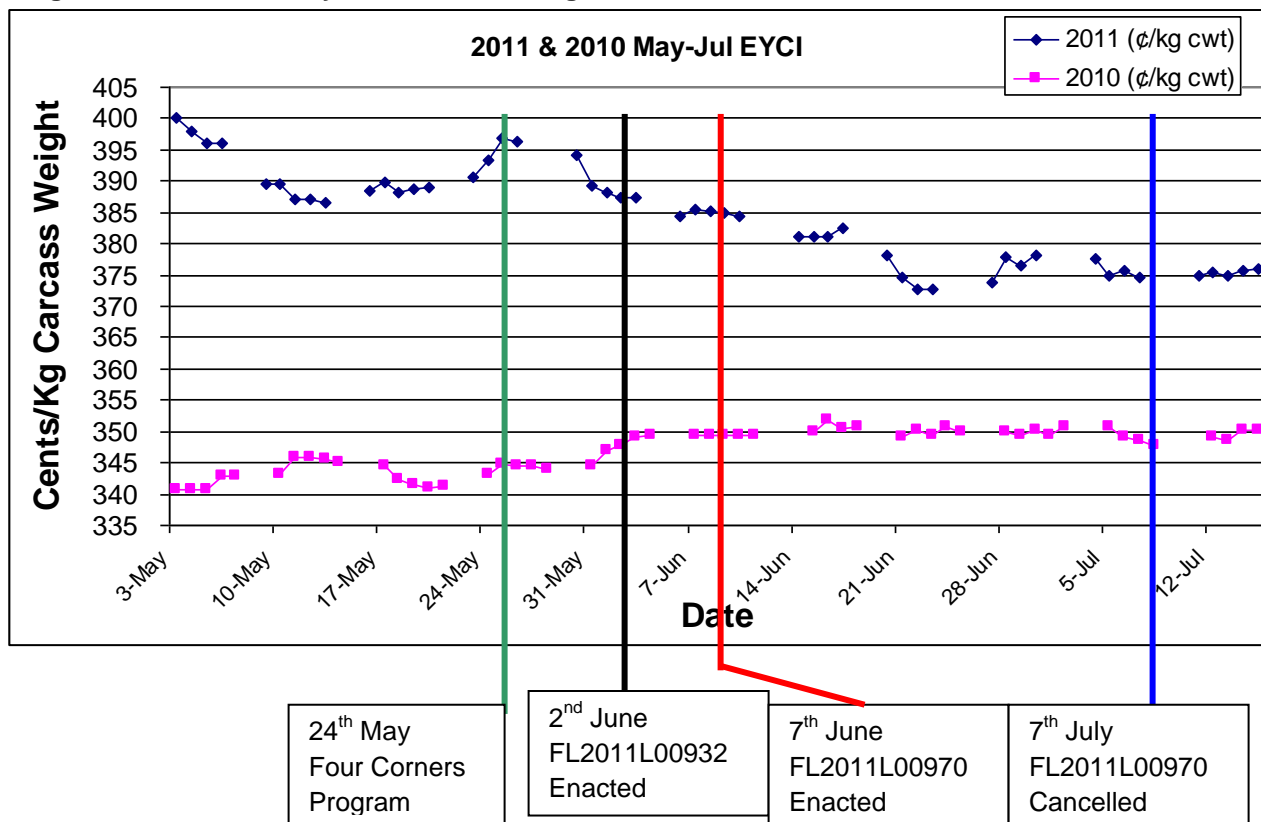
That is, in total, farm level GVP for the red meat industry would have been \$247 million lower each year if the live trade had not been available over the period.

The effect on the Eastern Young Cattle Indicator (EYCI), the general benchmark of Australian cattle prices, following the recent ban on the importation of live cattle to Indonesia is shown in Table 2 & Figure 2.

Table 2: Changes to the Eastern Young Cattle Indicator

Date From	Date To	ECYI ¢/kg cwt	Change ¢/kg cwt	Percent Change
25-May	2-Jun	387.50	(9.25)	(2.33%)
2-Jun	7-Jun	385.50	(2.00)	(0.52%)
7-Jun	7-Jul	374.50	(11.00)	(2.85%)
7-Jul	15-Jul	376.00	1.50	0.40%

Figure 2: 2010, 2011 May-Jul Eastern Young Cattle Indicator



However, Australian cattle prices have not been alone in feeling the impact of the slower global beef market, with prices retreating across almost all of the major beef producing nations in recent months. Since their peak earlier in the year (March or April) to their recent low point in past weeks, indicative cattle prices in Brazil have declined 9%, the US 4-12%, NZ 5-7% and even 2-4% in Uruguay (all in US¢/lb lwt).⁵

Most of the smaller Northern producers who have the ability to hold stock due to the excellent wet season this year, are doing so because of market uncertainty. They are hoping that live shipments to Indonesia will recommence quickly, before cattle become too heavy for the Indonesian weight restrictions. The larger corporate producers have the option to transfer cattle to other properties within their group.

Producers who don't have the feed, or who are forced to sell stock because of destocking or cash flow requirements, are experiencing considerable difficulties and costs in selling their stock. The prices being offered really only reflect east coast prices, which are unfavourable given the distance to market and that cattle bred for live export to SE Asia are not ideal (for the east coast market).

⁵ Meat and Livestock Weekly 1st July

Following the ban in the export of cattle to the Indonesian market, the delivered Darwin price for steers decreased overnight from \$2.10 to \$1.40. For NT producers fortunate enough to find a buyer, this is a gross reduction of approximately \$238 a head, or on a mid-sized vessel of 3,200 head, a reduction of station income of \$761,600.00. Many are unable to market their cattle into the Middle East live trade because of the Blue Tongue restrictions. With the immediate reduction in meat work prices because of the ban on Indonesia live trade, producers were forced to accept lower prices and per head freight bills of between \$140 per head from the Kimberly to Perth and up to \$240 per head to eastern abattoirs.

2.c) Impact on the processing of live stock within Australia.

The Australasian Meat Industry Employees Union (AMIEU) has been running a long-term campaign to have the live export trade closed, citing the trade as a key factor reducing its competitiveness.

It is argued that the live export trade reduces the opportunity for livestock to be slaughtered domestically and increases prices through increased saleyard demand. However, this argument is made regardless of:

- whether or not the livestock meet the specifications of the processors,
- whether or not the livestock are located near available processing facilities (and in the absence of consideration of additional transport costs),
- whether or not Australian chilled and frozen meat product can be substituted for animals exported live.

Nonetheless, it is likely that the live export trade does have some impact on prices that the domestic meat processing sector pays for inputs (slaughter-ready stock). However, it is not clear how restrictions on the trade of livestock can be achieved without reducing the price paid to producers, especially in Northern and Western Australia where there are limited or no slaughter facilities.

The concerns from the AMIEU about the impact of the live export trade increasing the processors' cost base is illustrative of the benefits of the live export trade to Northern cattle producers' incomes.

Processors, live exporters, backgrounders, feedlotters and livestock traders all depend on the Australian production base to provide animals for their respective use. Before commencing any discussion on how animals can be traded it needs to be clearly understood that there is a fundamental necessity for the Australian livestock production industry to be productive, innovative and most importantly, profitable. This can only happen when producers have open access to all markets through to abattoirs and live exporters.

It is suggested that Indonesia should buy all their beef from Australia in chilled or frozen form. In fact they have this option already with chilled and frozen beef products being readily available in both the high end supermarkets and many wet markets in the major cities of Indonesia. However, a large percentage of Indonesian consumers do not have refrigeration and because of this, along with cultural and religious reasons, continue to prefer to buy hot meat from the fresh markets. Under no circumstances should Australia dictate to them what they can or cannot buy.

The export of feeder cattle to Indonesia delivers many dividends to north Australian cattle producers employing significant numbers of indigenous and non-indigenous staff. Consistent and growing demand in Indonesia has secured high prices for northern cattle delivered to northern ports with comparatively short trips and in expensive freight rates. This supply chain delivers positive animal welfare outcomes compared to the long haul southern road trips.

Cattle numbers in the Northern Territory have increased from 1.5 million head in 2003 to 1.9 million head in 2010, reflecting a response to strong demand from Asian markets.⁶

This solid foundation in the northern cattle industry has allowed long term consistent genetic investment and improvement resulting in higher profitability and asset investment which is a win for the north and a win for Australia with on-going export income contribution.

The importation of young high quality Brahman cattle from Australia into Indonesian feedlots probably has a much greater impact in increasing local Indonesian employment than it does on decreasing Australian abattoir employment. Some Australian abattoirs employ a high percentage of foreign workers, as highlighted in the recent ABC report on the AMH works at Dinmore. Reference was made to the employment of 170 foreign workers under 457 visas.⁷ Indonesian feedlots are usually situated in areas where rural employment is a significant problem. These cattle are fed predominantly on locally grown maize chop and agricultural by-products. They support thousands of families through feedlot employment, contract fodder growing and delivery and side line opportunities such as the composting and packing of the manure output.

⁶ Processing & Live Export Industries, of ProAnd Associates Australia Pty Ltd, June 2011

⁷ ABC TV, 28th March 2011, <http://www.abc.net.au/news/video/2010/03/28/2858360.htm?site=brisbane>

3. Other related matters.

3.1 Standards

In the absence of internationally agreed requirements, Australia has developed and unilaterally adopted the world's best livestock export standards in terms of coverage (of species and phases of transportation) and capacity to deliver acceptable outcomes.

These standards, or ASEL, were developed in 2004 and are based on a whole-of-chain 'risk-based framework'). ASEL sets out the guiding principles and required outcomes along with detailed requirements for each of the following standards:

- Standard 1 – Sourcing and on-farm preparation of livestock
- Standard 2 – Land transport of livestock
- Standard 3 – Management of livestock in registered premises
- Standard 4 – Vessel preparation and loading
- Standard 5 – Onboard management of livestock
- Standard 6 – Air transport of livestock

In 2006, Alliance Resource Economics completed a study of World Livestock Export Standards⁸ which concluded that there are no formal systems in place in other countries that would add significantly to the effectiveness of the Australian livestock export standards.

This conclusion rests upon several observations:

- Australia has publicly-documented and free-standing standards for each of the six phases of livestock exporting.
- In 2006 the Australia livestock export standards have already undergone several revisions in response to advances in knowledge and understanding of animal welfare and changes in community expectations
- The standards themselves are developed by animal welfare experts with a detailed knowledge of the industry, supplemented by consultations with operators and independent experts

The newly-developed Australian Animal Welfare Standards and Guidelines for the Land Transport of Livestock, in fact, are less stringent than ASEL in relation to time off feed and water and post-journey spelling.⁹ Note, these new standards and guidelines which were developed by the Federal, State and Territory Governments, the livestock and livestock transport industries, have yet to be introduced,

⁸ Comparing World Livestock Export Standards, Meat and Livestock Australia Project Code LIVE 316,
<http://www.mla.com.au/Research-and-development/Final-report-details?projectid=12918>

⁹ <http://www.animalwelfarestandards.net.au/land-transport/>

As part of the Export Certification Reform Agenda (Refer Annex 9), a report was prepared for ALEC in October 2009 with the following objectives¹⁰;

1. Review existing literature and engage with industry and government resources identified by the project manager to develop a comprehensive description of the current livestock export processes undertaken in Australia, from shipment initiation through to delivery of the 'end of voyage report'.
2. Document the current livestock export processes, including all necessary detail to present a complete understanding of current practices and different approaches applied by different exporters. A simple, plain English summary is also required.
3. Based on terms of Reference 1 and 2, above, develop in consultation with industry and government recommendations that identify opportunities to improve the current processes used by the livestock export sector.

This work was undertaken and delivered an excellent report to government regarding what currently happens. This was a starting point for mapping industry requirements for the IT system. This work reinforced that there are significant and robust processes in place that underpin the preparation and export of livestock. This is reflected in the low mortality rates shown in Figure 1 above.

However, it is still considered that there is scope to enhance the process by which new ideas or changed circumstances can be incorporated into the ASEL. At present this process is overseen by the Livestock Export Standards Advisory Group (LESAG) that is tasked with providing the Federal Minister for Agriculture, Fisheries and Forestry with advice on improvements to ASEL. The LESAG has met infrequently since its inception and there is concern that membership of the LESAG includes representation from one or more parties that are philosophically opposed to livestock exports. It is difficult to see how the LESAG can function effectively when there is such a fundamental conflict of interest. Another issue is that government resources to support LESAG appear to be limited.

Industry believes that research and development needs to be utilised to address specific issues before a change in management practices or standards should be considered. In this regard, further reviews of ASEL should be targeted to address a specific concern rather than a broad review of ASEL.

Suggestions for improvement to ASEL are as follows:

10 LIVE WTSC.1002.3 Process Mapping and Improvement of the Livestock Export Sector

Repetition

Although the arrangement of the standards in a 'whole chain approach' seemed logical, it has led to a degree of repetition which is one of industry's main criticisms of the current ASEL. For example, rejection criteria, humane killing etc should be referenced once and applied across all stages of ASEL.

Some areas are not verifiable

Some of the standards are not verifiable as written and would be better expressed in terms of outcomes. For example, S 2.22 refers to livestock being unloaded at registered premises by competent stock handlers etc.

Some areas are vague

Some of the standards are vague. For example S 2.24 makes the statement that all relevant standards for land transport to arrival at the registered premises must also be applied to transport to the wharf, without specifying which ones should apply.

Reportable incidents

AQIS is required to investigate all reportable mortality incidents (A reportable mortality event occurs if a shipboard mortality rate for a consignment equals or exceeds the reportable level as specified in ASEL) and under the *Australian Meat and Livestock Act 1997* (Division 5), to report to Federal Parliament every six months on both the outcomes of investigations and all livestock exports, regardless of outcome.

Following the occurrence of a notifiable incident, ASEL requires it to be reported to AQIS as soon as possible and within twelve hours. A notifiable incident involving mortality equal to or greater than the reportable level, a report must be provided that includes the following:

- details of the mortalities (e.g. number, species, suspected cause);
- factors that may have contributed to the deaths; and
- the current location of the vessel and, if appropriate, its destination and estimated time of arrival.

Currently, there is no distinction between different levels of mortality (slightly above the reportable level versus greatly above the level) and the action required. In addition, the reportable mortality levels are not adjusted to take into account the length of the voyage, time of year or class of stock. There should be provision for the capture of this type of information to assist with incident substantiation and the implementation of any resulting recommendations.

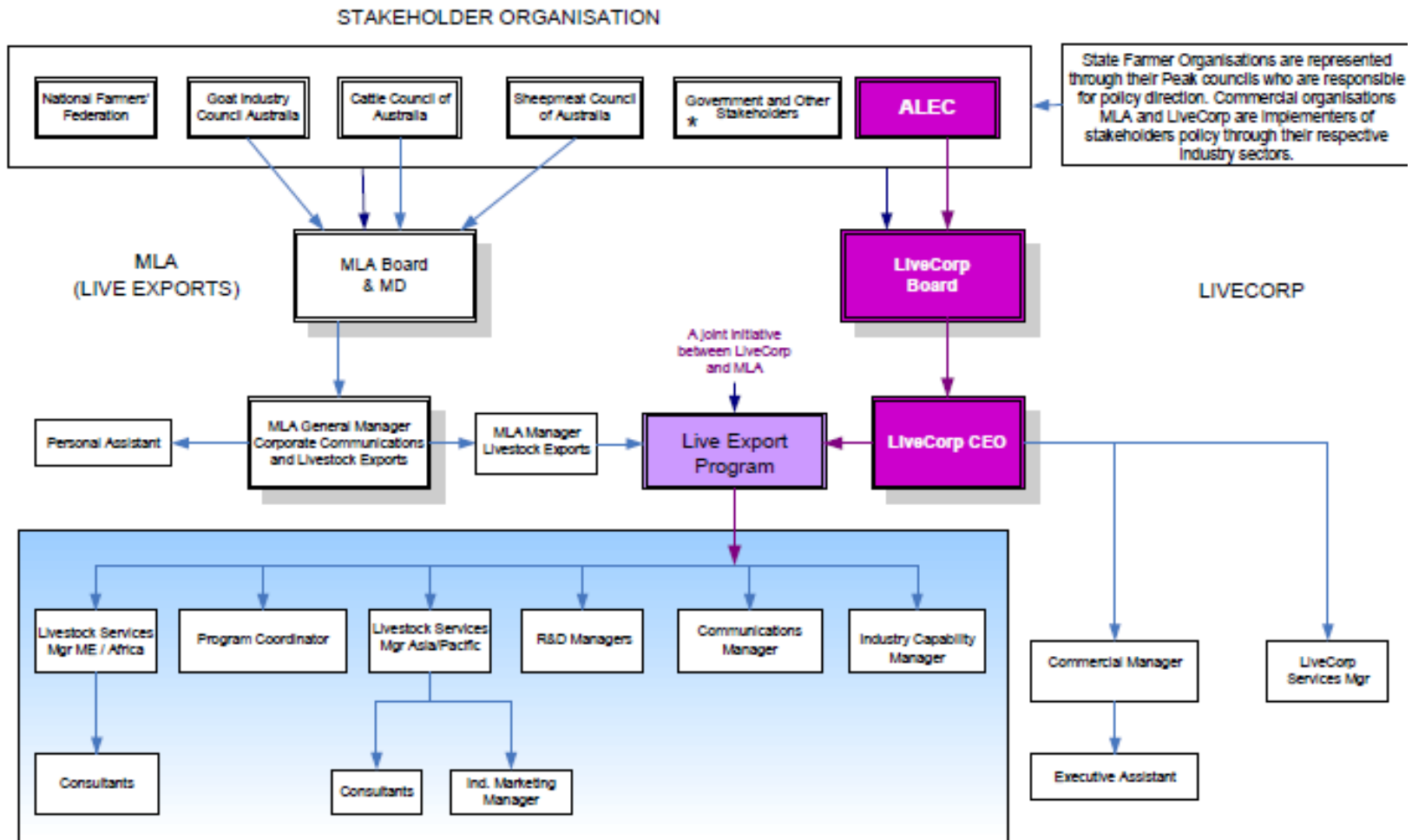
Despite a legislative appeal mechanism being in place, the recommendations by AQIS following a high mortality incident have not historically been subject to peer review. This has allowed information to be added to ASEL (or the issue of export advisory notes) that may not have been scientifically validated. Lack of feedback to the industry (licensed exporters, accredited veterinarians, stock and station agents, and farmers) impedes continuous improvement.

That the introduction of ASEL has not delivered improved outcomes should also be addressed. Amendments are slow to be incorporated and are not helped by AQIS's lack of staff with sufficient knowledge of export processes. ASEL needs to be interpreted by AQIS with animal welfare as the key motivator for decision making; AQIS sees ASEL as being inflexible which can result in adverse animal welfare outcomes.

Industry is also frustrated by the very modest progress towards regulatory reform being achieved by the Export Certification Reform process. AQIS has been too slow, costs are only going in one direction and we still don't have resolution on key reform proposals. (Refer Annex 10, Extract from Hansard 8th July 2011, Rural Affairs and Transport References Committee)

Annexes

Annex 1. MLA-ALEC-LiveCorp Organisation Chart



Annex 2. Correspondence with the Minister Senator Ludwig

Annex 2.1 Letter from Senator Ludwig 17th Jan 2011



Senator the Hon. Joe Ludwig

**Minister for Agriculture, Fisheries and Forestry
Senator for Queensland**

REF: MNMT2010-12849

Mr Peter Kane
Chairman
Australian Livestock Exporters' Council
PO Box 5552
KINGSTON ACT 2604

Dear Mr Kane

Thank you for meeting me on 30 November 2010 to discuss livestock exports and the handling of Australian sheep in Kuwait and Bahrain during the recent Eid-ul-Adha (the Eid) religious festival.

I want to acknowledge at the outset the work which has been done by industry and government over recent years to improve the animal welfare outcomes in terms of live animal exports over recent years. I am writing to seek your assistance to make further improvements.

On 1 December 2010, as you know, the ABC's *7.30 Report* ran Animals Australia footage of poor handling, transport and slaughter of Australian sheep in Kuwait and Bahrain during the Eid. I told you at our meeting that the Australian Government was very concerned about the mistreatment of animals and, as part of Australia's live trade, had committed to assessing proposals to improve animal welfare outcomes.

Since the Animals Australia media release of 17 November 2011 on livestock mistreatment during the Eid, and the *7.30 Report's* follow-up story, over 10,000 people concerned by the issue have contacted my office.

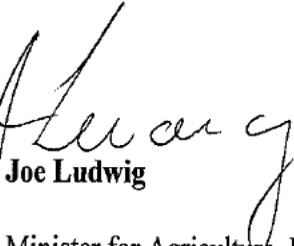
I have on many occasions publicly outlined my support for the live animal trade and its importance to agricultural communities across Australia. In order to ensure that the trade has sufficient community support, I am seeking to work with the industry to develop proposals to improve animal welfare outcomes for the live animal trade in general, but especially during the Eid-ul-Adha festival.

One of the options on which I would like your advice is a closed loop system for the importation, lot feeding and slaughter of livestock in importing countries, similar to the one for Australian cattle exported to Egypt. How could such a system be implemented, and what

management arrangements, such as government regulation, industry management or a combination of both, could be applied?

I look forward to receiving the industry's proposals to ensure higher standards of animal welfare generally and during the Eid in 2011.

Yours sincerely



Joe Ludwig

Minister for Agriculture, Fisheries and Forestry
Senator for Queensland

17 January 2011

cc Dr Roly Nieper, Chairman LiveCorp

Annex 2.2 Letter to Senator Ludwig 24th Jan 2011



Senator the Hon. Joe Ludwig
Minister for Agriculture, Fisheries and Forestry
Parliament House
Canberra, ACT 2600

Dear Minister,

Thank you for your letter of 17 January.

My members are grateful for your continuing support of the livestock export industry, as well as your acknowledgement of animal welfare improvements that have been made and your readiness to work with industry to achieve further positive welfare outcomes.

Exporters share the community's view that the treatment of animals shown in the *7.30 Report* footage is completely unacceptable.

Since meeting with you in November, ALEC, LiveCorp and MLA have been taking steps to deliver better welfare outcomes in the Middle East. This includes a thorough review of the adequacy of our existing programs and options for incremental improvements to in-market distribution, handling and processing. Our planning is predicated on the Australian livestock export industry accepting a greater measure of responsibility for the welfare of animals after delivery to our international customers. We know there will be real challenges in negotiating change against a background of complex markets, political systems and cultures. Support from your Government will not only be most welcome but no doubt vital in gaining the support of various Middle Eastern governments to make further changes.

Two broad approaches are being taken to welfare improvement. The first is to work on the immediate issues identified in the Middle East. The second is a longer term analysis of potential issues that may be identified in any of our global markets.

By early March, we will write to you again outlining steps the industry proposes to take to bring about further welfare improvements in the Middle East, with emphasis on Eid al Adha 2011.

Yours sincerely

A handwritten signature in black ink, appearing to read "Peter Kane".

Peter Kane
Chairman
Australian Livestock Exporters' Council
24 January 2011

cc Dr Roly Nieper, Chairman, LiveCorp

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14-16 Brisbane Ave, Barton, ACT	Fax: +61 (0) 2 6273 2397
PO Box 5552, Kingston, ACT 2604	Email: ceo@livexcouncil.com.au

Annex 2.3 Letter from Senator Ludwig 21st Mar 2011



Senator the Hon. Joe Ludwig

**Minister for Agriculture, Fisheries and Forestry
Senator for Queensland**

Mr Peter Kane
Chairman
Australian Livestock Exporters' Council
PO Box 5552
BARTON ACT 2604

Dear Mr Kane

I am writing to you in relation to the issue of live animal exports.

On 16 September 2010, I made the following comments in a speech to the AgForce Conference in Rockhampton:

"[I]t is not my intent to rewrite long standing policy positions such as live animal exports. I understand that there has been some concern raised in recent days regarding the issue of live animal exports. I want to assure you that there has been no change to Government policy on this issue. Through our involvement in the live animal trade we have delivered continuous improvements in animal welfare outcomes. The Gillard Government supports a strong and vibrant livestock sector in Australia."

I would like to make it clear that the Government's position, which is to support live animal exports, has not changed. The Gillard Government does not have any plans to phase out or ban live animal exports.

As you would be aware, I have written to the Australian Livestock Exporters' Council (ALEC) in January in relation to animal welfare issues, and in particular to ask for the livestock export industry to develop proposals to ensure higher standards of animal welfare generally, and during the Eid-al-Adha festival in 2011 in particular.

I look forward to receiving ALEC's response, and to working with industry to improve animal welfare outcomes in the live export trade.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Joe Ludwig'.

Minister for Agriculture, Fisheries and Forestry
Senator for Queensland

21 March 2011

Parliament House, Canberra ACT 2600 Telephone: 02 6277 7520 Facsimile: 02 6273 4120

Annex 2.4 Letter to Senator Ludwig 22nd Mar 2011

Senator the Hon. Joe Ludwig
Minister for Agriculture, Fisheries and Forestry
Parliament House, ACT
2600

Dear Minister,

I am writing further on the question of animal welfare in Australia's export markets. As I indicated in my letter of 24 January, from the time of our meeting last November, industry – ALEC, LiveCorp and MLA – commenced a process to deliver better animal welfare outcomes in our Middle East and other markets.

To ensure that exporters were both aware of the elevated concerns and had the opportunity to contribute directly to the design of a solution, forums on offshore welfare were organised in February. The first forum was in Darwin and focussed primarily on the export of cattle to South East Asia. The second in Perth addressed sheep and cattle exports to the Middle East. Participants at the two meetings represented in excess of 90% of Australia's live export trade.

The forums reaffirmed that animal welfare was the most important social issue affecting the live export industry. It was agreed that part of the solution lay in collective action by key players including exporters, overseas customers and their governments, the Australian Government and industry support organisations. Importantly, the forums committed to provide additional industry funds to enable investment in welfare improvements.

To accelerate improved welfare standards in the Middle East, industry is proposing the adoption of a concept of a Supply Chain Assurance (SCA). The principles of the SCA are as follows:

- Meet Australian community expectations regarding animal welfare – the live trade's social licence
- Meet the commercial expectations of overseas customers
- Meet the food security imperatives of our customers' governments
- Recognise that most responsibility for welfare improvements lies with the industry
- Agree that concerted action by exporters, customers and governments will deliver optimal welfare results
- Sustain the live trade

Effectively constructed, the SCA will deliver the welfare improvements that you have sought and that the industry acknowledges is needed. SCA would be implemented over five years,

with important steps being undertaken this year to address some of the immediate welfare concerns.

In your letter to me of 17 January, you sought advice around the option of developing a closed loop system, similar to the one put in place for Australian cattle imported into Egypt. Each market in the Middle East is different and there is not a universal answer to the region's welfare challenges. The SCA would encompass elements of a closed system whereby livestock would be contained as much as is commercially feasible within port, feedlot and processing facilities. Steps under the banner of SCA would be initiated in each market to minimise leakage and the potential for poor welfare practices. The pace of reform would vary from market to market for a number of reasons – current practices and infrastructure, the capacity and willingness of customers to invest in new facilities and the receptiveness of regional governments to embrace the plan. We are confident, however, that improvements can be made in all Middle East markets.

SCA has the capacity to bring together all the key stakeholder groups that have the potential to influence its delivery, particularly in-market governments. Our detailed planning for SCA is still to be undertaken. However, the industry has already committed to the following activities in addition to the programs already in place:

- A Middle East regional stock take of high risk animal welfare practices. This will incorporate, for each market, an assessment of the selling and processing systems and clear identification of the sources of leakages that are undermining the proper handling, transport and processing of Australian livestock.
- The placement of at least 4 additional full-time Australian livestock welfare experts in the Middle East. The first of these appointments will be in place in Kuwait before Eid-al-Adha 2011.
- The provision of funding for both the above and for other measures still to be finalised.

Programs already in place include:

- Pursuing the objective of achieving OIE standards in the Middle East.
- Encouraging the use of stunning in sheep and cattle.
- Supporting customers and Middle East governments in the building and use of animal-welfare conscious slaughter and handling facilities.

An important part of the improvement process will be engaging with governments in the region. Without their involvement, importers are unlikely to have the resources or commitment to bring about necessary changes. This is a sensitive area, somewhat beyond the capacity of

the Australian livestock export industry. The assistance of the Australian Government in “soft selling” the need for change, therefore, would be appreciated. The message to the Middle East governments would have a strong element of “food security,” with investments in animal welfare helping to deliver that food security.

If you agree, this could be advanced by Australian Government representatives, together with industry representatives, visiting relevant Middle East ministries. The discussions would be around the value of the trade to all parties but with messages about needed welfare improvements. In our view, if these messages can be delivered without supply being threatened, there is the likelihood that Australia will secure a measure of co-operation otherwise not attainable. The conclusion of successful discussions centred on the continuation of trade will also be important in establishing the right environment for local investment in welfare improvements.

LiveCorp and MLA are currently developing a detailed program which will enhance the ongoing programs which have already brought about considerable improvements in-market. As mentioned above, the industry is ready to commit additional funds to animal welfare improvements. This is likely to require the collection of additional levies and LiveCorp will be developing an application for a levy increase in accordance with the levy principles established by your Department.

While industry accepts that it will be responsible for the greater part of the new funding requirements, we would also appreciate the Government’s consideration of a further contribution to welfare improvements through an enhancement or extension of the LTAWP. A demonstration of ongoing financial commitment by the Australian Government will be valuable in helping to secure the co-operation of our customers and their governments.

I will keep you informed as we further develop the Supply Chain Assurance plan. In the meantime, I would appreciate having another meeting with you to review progress.

Yours sincerely

Peter Kane
Chairman
Australian Livestock Exporters’ Council

22 March 2011

cc Dr Roly Nieper, Chairman, LiveCorp

Annex 2.5 Letter to Senator Ludwig 24th Mar 2011

Senator the Hon. Joe Ludwig
Minister for Agriculture, Fisheries and Forestry
Parliament House
Canberra ACT 2600

Dear Minister,

I am writing to thank you for your letter of 21 March 2011 confirming your support for Australia's livestock export sector. The Government's strong position on this issue is greatly appreciated by the industry.

You will now have received my letter of 22 March responding in more detail to the concerns you expressed about animal welfare. I will be pleased to discuss this matter further at any time.

Yours sincerely

Peter Kane
Chairman
Australian Livestock Exporters' Council

24 March 2011

Annex 3. Australia livestock export industry Strategic vision for in-market animal welfare,

May 2011

Australia livestock export industry

Strategic vision for in-market animal welfare

Background

The Australian livestock export industry contributes \$1 billion in export earnings to the Australian economy each year, provides 13,000 jobs and represents an essential market for many Australian livestock producers.

A high and continually improving standard of animal welfare throughout the export supply chain from farm to overseas marketplace is critically important to the livestock export industry.

The industry invests levies paid by Australian red meat producers and livestock exporters into constantly improving the livestock export industry through the Meat & Livestock Australia and LiveCorp joint Livestock Export Program. This producer and exporter initiative invests in programs to improve animal welfare in Australia, onboard livestock vessels and in overseas markets.

The Australian Government co-invests with industry in improving animal welfare in the countries Australia exports to through the Live Trade Animal Welfare Partnership. Through this partnership, and industry's ongoing commitment, improvements in animal welfare have been made throughout the entire supply chain from the correct preparation of livestock prior to export and the day-to-day care of livestock onboard livestock vessels, to the overseas markets where they are sold.

For industry to maintain its social and legislative license to operate the speed of delivery of these improvements must increase and higher levels of appropriate welfare must be provided to a greater proportion of exported livestock. Australia's livestock export industry has developed the following strategic vision and initiatives to improve animal welfare in its overseas markets.

Strategic vision

Ensure all animals exported from Australia are managed through known supply chains (feedlot, transport and abattoir) and treated humanely under endorsed livestock welfare standards from the point of arrival in overseas markets through to the point of processing.

Achievement of these initiatives is reliant upon the strong support and engagement of the following partners:

- Australian Government.
- Australian livestock export industry including producer and exporter organisations.
- Importing country governments.
- Importing country supply chain operators.
- Animal welfare professionals.

Key Goals and Objectives

- Supply chain standards based on OIE (World Organisation for Animal Health) guidelines are adopted for the transport, handling and processing of Australian livestock in all markets.
- People who interact with Australian livestock in the supply chain are trained and understand the principles of low stress stock handling and animal welfare.
- All Australian livestock will be processed in appropriate abattoirs.
- All Australian livestock will be processed using appropriate slaughter equipment and other available techniques and procedures that deliver high standards of animal welfare.

Initiatives

1. Develop a set of endorsed livestock welfare standards for the management of Australian livestock in overseas markets. These standards will use OIE guidelines as a benchmark.

Desired outcomes and target timelines:

- Industry supply chain standards for cattle, sheep, goats and camels are developed by December 2011.
 - The Australian Government will be kept informed as development of these standards occurs.
 - The standards developed will reflect cultural and infrastructural differences in the various markets.
- Industry standards will be presented for feedback to importing country governments, the Australian Government and independent animal welfare experts, and finalised by February 2012.
 - A plan for the adoption of processing standards consistent with the *OIE Terrestrial Animal Health Code Chapter 7.5 – Slaughter of Animals* will be developed and implemented for each market based on an agreed priority plan.
 - Annual increases in the number of cattle slaughtered using stunning.

2. Conduct in-market supply chain stock takes from arrival to point of processing in all markets

Desired outcomes and target timelines:

- Detailed understanding of where and how all Australian livestock are transported, housed, managed and processed.
- Detailed supply chain mapping to identify welfare concerns:
 - Supply chain stock takes undertaken in each significant market (greater than 20,000 cattle and/or 75,000 sheep and/or 5,000 goats) by 2013 and in all markets (in excess of 10,000 cattle and/or 30,000 sheep and/or 2,000 goats) by 2015. The same conditions would be applied to new markets.
 - A corrective action register is established and maintained for each market and reviewed bi-annually.

3. Educate/influence stakeholders in importing countries about our desired welfare standards.

Desired outcomes and target timelines:

- Agreed support for our standards by importing country governments, facilitated by the Australian Government and industry. 50% of relevant governments agree to support by 2013 and 75% by 2015.
- In-market animal welfare taskforce groups are developed in all significant markets by 2015 to provide local industry input into animal welfare programs.

4. Ensure each supply chain meets the industry livestock welfare standards through regular consultation and review.

Desired outcomes:

- From 2015, Australian livestock will only be supplied into facilities where supply chains meet relevant sections of the OIE standards.

Summary

This is an ambitious plan that will enable industry to have tighter control over animal welfare outcomes in our overseas markets by delivering a system that identifies monitors and addresses welfare concerns.

Industry is committed to implementing lasting animal welfare improvements in Australia's key livestock export markets through the delivery of this strategy. Individual action plans for each market will be developed and delivered for each key market, with Indonesia, our largest and most important market, selected as the priority market for action plan implementation. The Indonesia animal welfare action plan is attached.

Annex 4. Indonesia animal welfare action plan

Indonesia animal welfare action plan

May 2011

Background

Indonesia is Australia's most valuable live cattle export partner, taking 59.5% of our cattle exports and contributing \$319 million to the Australian economy in 2010. The Australian livestock export industry and the Australian Government have invested over \$2.6 million into improving animal welfare in Indonesia over the past 10 years through training, education and infrastructure programs.

The *Indonesia animal welfare action plan* is designed to meet industry's strategic vision of ensuring all animals exported from Australia are managed through known supply chains and treated humanely under endorsed livestock welfare standards from the point of arrival in overseas markets through to the point of processing.

Close co-operation with the Australian and Indonesian Governments, as well as the local Indonesian industry, will be essential in delivering the animal welfare improvements outlined in this plan.

Desired outcome

- From 2015 Australian livestock will only be supplied into facilities where supply chains meet the relevant sections of the OIE (World Organisation for Animal Health) standards.

Actions

Standards:

- Develop and implement endorsed livestock welfare standards for port, transport, feedlot and abattoir to ensure Indonesia is operating at or above OIE standards:
 - Assess and review current point of processing Standard Operating Procedures (SOPs). 30 Jun 2011
 - Develop industry point-of-processing standards and measurements for restraining box installation, maintenance and upgrades. 30 Sep 2011
 - Commence extension and implementation of endorsed livestock welfare standards in Indonesia. 31 Oct 2011

Stock take:

- Develop an Indonesian Animal Welfare Taskforce (IAWT) and conduct a stock take of all facilities and locations processing Australian livestock:
 - Form an Indonesian Animal Welfare Taskforce (IAWT) and identify and train 20 new Animal Welfare Officers to play a key role in the implementation of the Indonesian animal welfare program. 30 Jun 2011
 - Animal Welfare Officers to identify all facilities/locations processing

Australian cattle.

30 Jun 2011

- Assess acceptability of processing facilities/locations and rank in order of priority for upgrade.

30 Sep 2011

Stunning:

- Build a process for ongoing advancement of stunning of Australian livestock:
 - Seek endorsement from local religious and Indonesian Government authorities for the use of stunning in processing cattle. 31 May 2011
 - Import required Halal stunners and equipment. 31 May 2011
 - Train operators in stunning SOPs at five selected abattoirs. 30 Sep 2011
 - Commission stunning equipment at five selected abattoirs. 30 Nov 2011
 - Stunning plan ready for broader expansion. 01 Jan 2012

Stakeholders, education and training:

- Deliver point of processing SOP training to each facility processing Australian cattle.
 - Expand the existing team of animal welfare trainers to improve the training capacity of the industry. 30 Jun 2011
 - Deliver SOP training to every facility on a priority basis. Annually
- Strengthen industry relationship with Indonesian Government:
 - Work with the Indonesian Government's Directorate General of Livestock Services (DGLS) to develop modular abattoir designs. 30 Sep 2011

Assessments and upgrades

- Conduct ongoing assessments of all facilities/locations processing Australian animals:
 - Implement infrastructure upgrades and improvements based on priorities identified in stock take. Ongoing
 - Ongoing assessment of all facilities to ensure adherence to endorsed livestock welfare standards. Ongoing
 - Facilities not meeting acceptable processing standards are upgraded or decommissioned in liaison with the IAWT and the Indonesian Government. Ongoing

Summary

This action plan forms part of the livestock export industry's strategic vision to deliver a system that identifies monitors and addresses welfare concerns in each of Australia's key livestock export markets. As Australia's largest and most important market, Indonesia has been selected as the priority market for action plan implementation, with other key markets to follow.

Industry is committed to implementing lasting animal welfare improvements in Indonesia, and this action plan is the first phase of delivering changes to meet the industry's goal of only supplying Australian livestock into facilities that meet OIE standards by 2011.

Annex 5. MLA-LiveCorp Research & Development Projects

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
1998/99	SBMR.001	Research into cattle deaths and illness during sea	All	Ship	Welfare	Reduction in mortality - heat stress
1998/99	SBMR.004	Shipboard mortality study - phase 2	All	Ship	Welfare	Reduction in mortality - heat stress
1998/99	SBMR.004A	Phase III: Research into cattle deaths and illness	All	Ship	Welfare	Reduction in mortality - heat stress
1999/2000	LIVE.101	Controlling Scabby Mouth in the Live Sheep Trade	Sheep	All	Market Access	Market Access - Saudi
1999/2000	LIVE.102	Best practice standards for the preparation & husbandry of cattle for transport from Australia	Cattle	Prep	Welfare	Improved husbandry and welfare - Pre export
1999/2000	SBMR.002A	Investigation of Ventilation Efficacy on Livestock Vessels	All	Ship	Welfare	Reduction in mortality - heat stress
2000/01	LIVE.105	Quality assurance for live goats exports to Saudi Arabia	Goats	All	Market Access	Market Access - Saudi
2000/01	LIVE.103	Saudi Arabia Live Sheep Trade Resumption Trial	Sheep	All	Market Access	Market Access - Saudi
2000/01	LIVE.104A	Influence of pre-delivery management on livestock performance: Desk Top Study	All	Prep	Supply Chain	Improved husbandry and welfare - Pre export
2000/01	LIVE.104B	Use of electrolytes to alleviate stress: Desk Top Study	All	Ship	Welfare	Improved husbandry and welfare - On board
2000/01	LIVE.108	Desk Top Study of Electrolyte Products	All	Ship	Welfare	Improved husbandry and welfare - On board
2000/01	LIVE.204	Identifying current best practice in the export of young cattle to Israel	Cattle	ME	Welfare	Improved husbandry and welfare - On board

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2001/02	LIVE.109	Addressing future market concerns on HGP usage	All	All	Market Access	Market Access
2001/02	LIVE.110A	Improving Saudi Sheep and Goat Protocol (CMA)	Sheep and goats	ME	Market Access	Market Access - Saudi
2001/02	LIVE.109A	Addressing HGP usage- Workshop (CMA)	All	All	Market Access	Improve Market Access
2001/02	LIVE.110	Improving Saudi Sheep & Goat Protocol	Sheep and goats	ME	Market Access	Market Access - Saudi
2001/02	LIVE.107	Workshop on the Ventilation of Livestock Vessels	All	Ship	Welfare	Reduction in mortality - heat stress
2001/02	LIVE.208	The Best Practice Management of Pregnant Dairy Cattle on Long Haul Voyages	Dairy	Ship	Welfare	Improved husbandry and welfare - On board
2001/02	LIVE.211	Practical ventilation measures for livestock vessels	All	Ship	Welfare	Reduction in mortality - heat stress
2001/02	LIVE.111	Evaluation and cost/benefit analysis of Rhinogard® vaccine in preventing Bovine Respiratory Disease in export cattle	Cattle	All	Welfare	Reduction in mortality- BRD
2001/02	LIVE.206	National Mortality Recording System for Export	All	Ship	Welfare	Improve market access
2001/02	LIVE.207	Identifying Best Practice in the Export Beef Cows	Cattle	All	Welfare	Improved husbandry and welfare - On board
2002/03	LIVE.217	Investigating premature lactation in pregnant dairy females	Dairy	Ship	Husbandry	Improved husbandry and welfare - On board
2002/03	LIVE.113	Ringworm in Live Export Dairy Cattle	Cattle	All	Husbandry	Improved husbandry and welfare - On board

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2002/03	LIVE.213A	Investigations into Reducing Odour Emissions from Partly Loaded Sheep Vessels while in Port	Sheep	Ship	Supply Chain	Market access
2002/03	LIVE.305A	Review of Heat Stress Risk Management	All	Ship	Welfare	Reduction in mortality - heat stress
2002/03	LIVE.305B	Review of Heat Stress Risk Management Proposal.	All	Ship	Welfare	Reduction in mortality - heat stress
2002/03	SBMR.002	Shipboard Ventilation Project	All	Ship	Welfare	Reduction in mortality - heat stress
2002/03	LIVE.112	Salmonellosis control and best-practice in live sheep export feedlots	Sheep	All	Welfare	Reduction in mortality - Salmonella / inanition
2002/03	LIVE.215	Minimising mortality risks during export of live goats by sea from Australia	Goats	Ship	Welfare	Reduction in mortality - Salmonella / Inanition
2002/03	LIVE.216	Mortality and morbidity risk factors for livestock during sea transport from Australia	All	Ship	Welfare	Reduction in mortality - Salmonella / Inanition
2002/03	LIVE.214	National livestock export industry shipboard performance report 2002	All	Ship	Welfare	Building industry statistics
2003/04	LIVE.114	Best Practice in the Use of Veterinary Chemicals and Drugs in Exporting Livestock	All	All	Husbandry	Improved husbandry and welfare - On board
2003/04	LIVE.118	Investigating Bluetongue Virus Persistence in Sheep	Sheep	Aust	Market Access	Improve market access
2003/04	LIVE.310	Development of an R&D Strategic Plan for the Livestock Export Program	All	All	Monitoring and evaluation	R&D internal planning
2003/04	LIVE.221	Characteristics and Volume of Effluent Produced by Livestock Vessels	All	Ship	Supply Chain	Building industry statistics

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2003/04	LIVE.116A	Development of a Heat Stress Risk Management Model- Training (CMA)	All	Ship	Welfare	Reduction in mortality - heat stress
2003/04	LIVE.007A	Meeting to review proposal to register salmonella vaccine for sheep (CMA)	Sheep	All	Welfare	Reduction in mortality - Salmonella / inanition
2003/04	LIVE.006	Odour, Ammonia and Electrolytes Workshop (CMA)	All	Ship	Welfare	Improved husbandry and welfare - On board
2003/04	LIVE.007	Salmonellosis Consultation (CMA)	Sheep	All	Welfare	Reduction in mortality - Salmonella / inanition
2003/04	LIVE.209C	Workshop to review LIVE.209 final report	All	Ship	Welfare	Improved husbandry and welfare - On board
2003/04	LIVE.210	Physiology of heat stress in cattle and sheep and the efficacy of electrolyte replacement therapy (Consultation with Murdoch University on LIVE.209)	All	Ship	Welfare	Improved husbandry and welfare - On board
2003/04	LIVE.202	Decreasing Shipboard Ammonia Levels	All	Ship	Welfare	Improved husbandry and welfare - On board
2003/04	LIVE.218	Determining critical atmospheric ammonia levels for cattle, sheep and goats - a literature review	All	Ship	Welfare	Improved husbandry and welfare - On board
2003/04	LIVE.116	Development of a Heat Stress Risk Management Model	All	Ship	Welfare	Reduction in mortality - heat stress
2003/04	LIVE.212	Investigation of Ventilation Efficacy on Live Sheep Vessels	All	Ship	Welfare	Reduction in mortality - heat stress
2003/04	LIVE.117	Review of Australian Livestock Export Standards	All	All	Welfare	Internal industry review
2003/04	LIVE.209	Physiology of Heat Stress in Cattle and Sheep	All	Ship	Welfare	Improved husbandry and welfare - On board
2003/04	LIVE.209B	Physiology of Heat Stress in Cattle & Sheep (Stage 2)- Efficacy of an Electrolyte Replacement	All	Ship	Welfare	Improved husbandry and welfare - On board

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
		Therapy and High Roughage Diet				
2003/04	LIVE.220	National livestock export industry shipboard performance report 2003	All	Ship	Welfare	Building industry statistics
2004/05	B.LIV.0334	Live Export R&D Forum 2005 (CMA)	All	All	Capacity building	R&D planning and capacity building
2004/05	LIVE.115A	Strategic Annual Seroprevalance Survey for Bluetongue Antibodies in the Surveillance Zone of the Northern Territory	All	Aust	Market Access	Improve market access
2004/05	LIVE.115B	Strategic Annual Seroprevalance Survey for Bluetongue Antibodies in the Surveillance Zone of Queensland	All	Aust	Market Access	Improve market access
2004/05	LIVE.115C	Strategic annual seroprevalance survey for bluetongue antibodies in the surveillance zone of the Pilbara region of Western Australia	All	Aust	Market Access	Improve market access
2004/05	LIVE.230A	Independent Advice On Jetting Inclusion In The HS Model	All	Ship	Welfare	Reduction in mortality - heat stress
2004/05	LIVE.309B	Restraint Box Manual (CMA)	Cattle	Asia	Welfare	Improved welfare point of slaughter
2004/05	LIVE.226	HS software further development to take version 2.2 to version 2.3	All	Ship	Welfare	Reduction in mortality - heat stress
2004/05	LIVE.230B	Independent advice on jetting inclusion in the HS model	All	Ship	Welfare	Reduction in mortality - heat stress
2004/05	LIVE.231	Facilitate meeting on HS and jetting	All	Ship	Welfare	Reduction in mortality - heat stress
2004/05	LIVE.312	HS software training (CMA) 2004-2005	All	Ship	Welfare	Reduction in mortality - heat stress

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2004/05	LIVE.119A	Supporting the registration of a aro-attenuated Salmonella vaccine	Sheep	All	Welfare	Reduction in mortality - Salmonella / inanition
2004/05	LIVE.232	Facilitate meeting on pastoral sheep and lambs	Sheep	Prep	Welfare	Improved husbandry and welfare - Pre export
2004/05	LIVE.219	Wetting of Cattle to Alleviate Heat Stress on Ships	Cattle	Ship	Welfare	Improved husbandry and welfare - On board
2004/05	LIVE.223	Pilot monitoring of shipboard environmental conditions and animal performance	All	Ship	Welfare	Improved husbandry and welfare - On board
2004/05	LIVE.301	Management of pre-delivery stress in live export steers	Cattle	Prep	Welfare	Improved husbandry and welfare - Pre export
2004/05	LIVE.229A	Opportunities to improve slaughter standards and profitability in Indonesia	Cattle	Asia	Welfare	Improved welfare point of slaughter
2004/05	LIVE.229B	Investigating ways to improve Animal Welfare in Indonesian abattoirs	Cattle	Asia	Welfare	Improved welfare point of slaughter
2004/05	LIVE.309	Developing an Improved Pre-Slaughter Restraining Box for Cattle	Cattle	Asia	Welfare	Improved welfare point of slaughter
2004/05	LIVE.234	Potential benefits of jetting to the HS model	All	Ship	Welfare	Reduction in mortality - heat stress
2004/05	LIVE.007B	Preparation of a business plan on salmonella vaccine for sheep	Sheep	All	Welfare	Reduction in mortality - Salmonella / inanition
2004/05	LIVE.225	National livestock export industry shipboard performance report 2004	All	Ship	Welfare	Building industry statistics
2004/05	LIVE.235	National mortality recording system for the live sheep, goat and cattle export industries	All	All	Welfare	Building industry statistics
2005/06	LIVE.122	Investigating feed and water curfews for the transport of livestock within Australia – a	All	Prep	Husbandry	Improved husbandry and welfare - Pre export

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
		literature review				
2005/06	LIVE.121	Investigating options to modify the aggressive behaviour of entire male livestock	All	All	Husbandry	Improved husbandry and welfare - On board
2005/06	LIVE.233A	Review of stocking density review	All	Ship and Prep	Welfare	Improved husbandry and welfare - On board
2005/06	LIVE.010	Production of communication materials- wetting cattle heat stress tips & tools	Cattle	Ship	Welfare	Improved husbandry and welfare - On board
2005/06	LIVE.313	HS update for AQIS	All	Ship	Welfare	Reduction in mortality - heat stress
2005/06	LIVE.233 V1	Investigating stocking densities in pre-export assembly premises and on livestock ships – a literature review	All	Ship and Prep	Welfare	Improved husbandry and welfare - Pre export
2005/06	B.LIV.0120	Identifying live animal condition scores	Cattle	Aust	Welfare	Improved husbandry and welfare
2005/06	LIVE.316	Comparing world livestock export standards	All	All	Welfare	Building industry statistics
2006/07	LIVE.236	Development of yard plans for South East Asian abattoirs	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2006/07	LIVE.236A	Desktop publication of LIVE.236 yard manual	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2006/07	LIVE.125	Evaluation of Diagnostic Assays for Chlamydomphila abortus in Australian Export Sheep	Sheep	Prep	Market Access	Improve market access
2006/07	B.LIV.0336	Review of the live export R&D program	All	All	Monitoring and evaluation	R&D internal planning

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2006/07	LIVE.314	Updating the value of the livestock export industry to Australia	All	All	Monitoring and evaluation	Building industry statistics
2006/07	LIVE.317	Developing a livestock export market outlook service	All	All	Supply Chain	Building industry statistics
2006/07	LIVE.322	Developing industry risk management tools	All	All	Supply Chain	Internal industry review
2006/07	LIVE.315	Investigating procedures to improve the efficiency of overseas Halal slaughter of Australian cattle and sheep	All	All	Welfare	Improved welfare point of slaughter
2006/07	LIVE.124	Developing an "Is it fit to export?" guide	All	Prep	Welfare	Improved husbandry and welfare - Pre export
2006/07	B.LIV.0240	Assessing a method of incorporating jetting in the HS model and its commercial implications	All	Ship	Welfare	Reduction in mortality - heat stress
2006/07	LIVE.228	Upgrade of biological assumptions and parameters used in the HS risk management model version 2.3.	All	Ship	Welfare	Reduction in mortality - heat stress
2006/07	B.LIV.0241	National livestock export industry shipboard performance report 2006	All	Ship	Welfare	Building industry statistics
2006/07	B.LIV.0242	Assessing the welfare and feeding behaviour of horned and polled sheep and cattle during live export	Cattle and sheep	Ship	Welfare	Improved husbandry and welfare - On board
2006/07	LIVE.222 V3	Developing alternative methods of measuring animal welfare on ships.	All	Ship	Welfare	Improved husbandry and welfare - On board
2007/08	B.LIV.0341	Livestock Export Traceability System Egypt	Cattle	ME	Market Access	Market Access - Egypt

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2007/08	B.LIV.0340	Live Export Market Reporting Service	All	Aust	Market Information	Building industry statistics
2007/08	B.LIV.0356	Training Gap Analysis	All	All	Monitoring and evaluation	R&D internal planning
2007/08	LIVE.325	Identifying knowledge gaps and research priorities to assist the live export industry to continually improve best practice	All	All	Monitoring and evaluation	R&D internal planning
2007/08	LIVE.326	Assessing the value of the livestock export trade to regional Australia	All	All	Monitoring and evaluation	Building industry statistics
2007/08	LIVE.323	Provision of NLIS-compatible tools for cattle exports	Cattle	All	Supply Chain	Market Access - Egypt
2007/08	B.LIV.0349	Detailed Temperature and Humidity Climatology for Middle East Ports	All	Ship	Welfare	Reduction in mortality - heat stress
2007/08	B.LIV.0127	Post Discharge Induction Procedures for Sheep in the Middle East	Sheep	ME	Welfare	Improved husbandry and welfare - In market
2007/08	B.LIV.0244	Stocking density in cattle shipments and animal health and performance - an assessment of existing data	Cattle	Ship	Welfare	Improved husbandry and welfare - On board
2007/08	B.LIV.0245	Revision of Veterinary Drug Manual for Livestock Export	All	Ship	Welfare	Improved husbandry and welfare - On board
2007/08	B.LIV.0243	Inanition in sheep- a literature review	Sheep	All	Welfare	Reduction in mortality - Salmonella / Inanition
2007/08	B.LIV.0246	National livestock export industry shipboard performance report 2007	All	Ship	Welfare	Building industry statistics

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2008/09	W.LIV.0138	Live Export Emergency Management Plan	All	Ship	Capacity building	Internal industry review
2008/09	W.LIV.0366	Feedlot Design - Development of SE Asian feedlot manual	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2008/09	W.LIV.0367	The Australian Production System and Supply chain	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2008/09	W.LIV.0368	Animal Health Management - Development of SE Asian feedlot manual	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2008/09	W.LIV.0369	Livestock nutrition and Feedlot breeding - SE Asian feedlot manual	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2008/09	W.LIV.0372	Feedlot Induction and Feedlot Management - SE Asian feedlot manual	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2008/09	W.LIV.0375	Livestock Handling - Development of SE Asian feedlot manual	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2008/09	W.LIV.0351	Investigating Alternative Feedstuffs for Indonesian Feedlots	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2008/09	W.LIV.0359	Improved management packages for tropical and temperate dairy production technology	Dairy	Asia	Husbandry	Improved husbandry and welfare - In market
2008/09	W.LIV.0256	Review of fodder quality and quantity in the live export industry	All	Ship	Husbandry	Improved husbandry and welfare - On board
2008/09	W.LIV.0130	Preparation of goats for export	Goats	Prep	Husbandry	Improved husbandry and welfare - Pre export
2008/09	B.LIV.0126	Review of effluent spillage and animal welfare during livestock transport: a discussion paper	All	Prep	Supply Chain	Improved husbandry and welfare - Pre export

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2008/09	W.LIV.0360	Review of the Livestock Export Market Outlook Reports	All	all	Supply Chain	Building industry statistics
2008/09	B.LIV.0339	Scientific publication on the development of HS risk assessment model	All	Ship	Welfare	Reduction in mortality - heat stress
2008/09	B.LIV.0358	Sheep Trolley Draft Design	Sheep	ME	Welfare	Improved husbandry and welfare - In market
2008/09	B.LIV.0248	Respiratory disease of export cattle	Cattle	Ship	Welfare	Improved husbandry and welfare - On board
2008/09	W.LIV.0254	Management of Bedding during the Livestock Export Process	All	Ship	Welfare	Improved husbandry and welfare - On board
2008/09	B.LIV.0347	Design of a Mark 3 cattle restraining box meeting Middle East standards	Cattle	All	Welfare	Improved welfare point of slaughter
2008/09	W.LIV.0371	Review of the Mark I, II and III cattle	Cattle	All	Welfare	Improved welfare point of slaughter
2008/09	B.LIV.0249	Revision of the heat stress risk assessment methodology to properly incorporate risk of heat stress while at port	All	Ship	Welfare	Reduction in mortality - heat stress
2008/09	LIVE.224 V1	Electrolyte supplementation of export cattle and further investigations in the heat stress threshold of sheep and dairy cattle	All	Ship	Welfare	Reduction in mortality - heat stress
2008/09	W.LIV.0262	WHITE Review of the livestock export heat stress model	All	Ship	Welfare	Reduction in mortality - heat stress
2008/09	W.LIV.0263	CASEY Review of the livestock export heat stress model	All	Ship	Welfare	Reduction in mortality - heat stress
2008/09	W.LIV.0264	Review of the Livestock Export Heat Stress Risk Assessment Model (Hot Stuff)	All	Ship	Welfare	Reduction in mortality - heat stress

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2008/09	W.LIV.0265	QDPI Review of the livestock export heat stress model	All	Ship	Welfare	Reduction in mortality - heat stress
2008/09	W.LIV.0267	Detailed Temperature and Humidity Climatology for Middle East Ports	All	Ship	Welfare	Reduction in mortality - heat stress
2008/09	W.LIV.0132	Investigating the relationship between Salmonella-inanition and property of origin	Sheep	All	Welfare	Reduction in mortality - Salmonella / inanition
2008/09	W.LIV.0133	Determining the feasibility of developing an ovine Salmonella vaccine	Sheep	All	Welfare	Reduction in mortality - Salmonella / inanition
2008/09	B.LIV.0247	Respiratory heat and moisture generation	All	Ship	Welfare	Improved husbandry and welfare – On board
2008/09	W.LIV.0251	Quantitative assessment of cattle behaviours on board livestock ships	Cattle	Ship	Welfare	Improved husbandry and welfare – On board
2008/09	W.LIV.0260	National livestock export industry shipboard performance report 2008	All	Ship	Welfare	Building industry statistics
2008/09	B.LIV.0348	Preliminary investigation into adapting stunning gun	Cattle	All	Welfare	Improved welfare point of slaughter
2009/10	W.LIV.0259	Development of Cattle Production Extension material	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2009/10	W.LIV.0376	Editing and Desk topping - Development of SE Asia feedlot Manual	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2009/10	W.LIV.0384	Keningau dairy workshop	Dairy	Asia	Husbandry	Improved husbandry and welfare - In market
2009/10	W.LIV.0373	Analysis of potential feed samples for the Indonesian feedlot industry and for inclusion in nutrition models for Indonesian cattle feeding systems.	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2009/10	W.LIV.0152	Finalising the Evaluation Framework for the live export program	All	All	Monitoring and evaluation	R&D internal planning
2009/10	W.LIV.0153	Ex-post evaluation of LiveCorp and MLA programs	All	All	Monitoring and evaluation	R&D internal planning
2009/10	W.LIV.0361	Detection, identification and treatment of ovine pink eye	Sheep	Prep / Ship	Welfare	Improved husbandry and welfare - On board
2009/10	B.LIV.0346	Upgrade of an existing Mark 2 Cattle Restraining Box for Ritual Slaughter	Cattle	All	welfare	Improved welfare point of slaughter
2009/10	W.LIV.0374	Review of mark three and development of mark four cattle restraining box	Cattle	All	welfare	Improved welfare point of slaughter
2009/10	W.LIV.0383	Review of stunning and Halal slaughter	All	All	welfare	Improved welfare point of slaughter
2009/10	LIVE.123	Investigating mortality in sheep and lambs exported through Adelaide and Portland.	Sheep	All	Welfare	Reduction in mortality - Salmonella / inanition
2009/10	W.LIV.0270	National livestock export industry shipboard performance report 2009	All	Ship	Welfare	Building industry statistics
2009/10	W.LIV.0261	Best practice design of crates for livestock export by air	All	Air	Welfare	Improved welfare – air transport
2009/10	W.LIV.0270	National livestock export industry shipboard performance report 2009	All	Ship	Welfare	Building industry statistics
2009/10	LIVE.237	Development of an aircraft ventilation guide to minimize mortality risk in the international air transport of livestock	All	Air	Welfare	Improved welfare – air transport

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2010/11	W.LIV.0155	CMA - Live export vet student development	All	All	Capacity building	Capacity building
2010/11	W.LIV.0160	Construction of competency units for stockman training course	All	Ship	Capacity building	Improved husbandry and welfare - On board
2010/11	W.LIV.0387	Editing and desk topping – Temperate and Dairy cattle	Dairy	Asia	Husbandry	Improved husbandry and welfare - In market
2010/11	W.LIV.0389	Editing and desk topping – Beef production manual	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2010/11	W.LIV.0275	Investigating incidence of scabby mouth	Sheep	all	Husbandry	Market Access - Saudi
2010/11	W.LIV.0365	Livestock Export Traceability System Egypt	Cattle	ME	Market Access	Market Access - Egypt
2010/11	W.LIV.0352	Undertaking a Life Cycle Assessment for livestock export industry	All	All	Market Access	Building industry statistics
2010/11	W.LIV.0156	Economic value of the live export industry	All	All	Monitoring and evaluation	Building industry statistics
2010/11	W.LIV.0131	Linking pre-delivery factors to post-delivery performance of Australian cattle exported to Indonesia	Cattle	All	Supply Chain	Improved performance
2010/11	W.LIV.0137	Development of Salmonella – Inanition treatment strategies	Sheep	All	Welfare	Reduction in mortality - Salmonella / inanition
2010/11	W.LIV.0253	Refining stocking densities	All	Ship	Welfare	Improved husbandry and welfare - On board
2010/11	W.LIV.0269	Upgrade LATSA software	All	Air	Welfare	Improved welfare – air transport

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
2010/11	W.LIV.0279	National livestock export industry shipboard performance report 2010	All	Ship	Welfare	Building industry statistics
2010/2011	W.LIV.0277	Hot Stuff Version 4.0 – Revised methodology and additional ports	All	Ship	Welfare	Reduction in mortality - heat stress
2011/12	W.LIV.0274	PhD scholarship - LIV.252 cattle data collection	Cattle	Ship	Capacity building	Capacity building
2011/12	W.LIV.0161	Veterinary disease investigation course	All	Ship	Capacity building	Improved husbandry and welfare - On board
2011/12	W.LIV.0390	Training DVD - Management of Australian cattle in Indonesia	Cattle	Asia	Husbandry	Improved husbandry and welfare - In market
2011/12	W.LIV.0280	Management of premature lactation in dairy cattle	Dairy	Ship	Husbandry	Improved husbandry and welfare - On board
2011/12	W.LIV.0252	Developing cattle data collection system	Cattle	Ship	Supply Chain	Reduction in mortality- BRD
2011/12	W.LIV.0378	Managing heat stress in Middle East feedlots	Sheep	ME	Welfare	Improved husbandry and welfare - In market
2011/12	W.LIV.0163	Ovine pink eye treatment strategies	Sheep	All	Welfare	Improved husbandry and welfare - On board
2011/12	W.LIV.0278	Live Export Veterinary Disease Handbook	All	All	Welfare	Improved husbandry and welfare - On board
2011/12	W.LIV.0162	Veterinary management of reject livestock	All	Prep	Welfare	Improved husbandry and welfare - Pre export
2011/12	W.LIV.0388	Review and revise a SOP for slaughter of Australian cattle in Indonesia	Cattle	All	Welfare	Improved welfare point of slaughter
2011/12	W.LIV.0276	Statistical analysis of the Hot Stuff model	All	Ship	Welfare	Reduction in mortality - heat stress
2011/12	W.LIV.0392	DVD training - On board livestock management	Cattle and	Ship	Welfare	Improved husbandry and welfare - In market

Financial year completed	Project Code	Project Title	Species	Market	Area	Outcome
			sheep			
2011/12	W.LIV.0396	Indonesian abattoir design concepts	Cattle	Asia	Welfare	Improved welfare point of slaughter
2011/12	W.LIV.0397	Conversion of mark 1 restraining box	Cattle	Asia	Welfare	Improved welfare point of slaughter
2012/13	W.LIV.0379	Monitoring Middle East feedlot temperature	Sheep	ME	Welfare	Improved husbandry and welfare - In market
2012/13	W.LIV.0159	Preparation of rangeland goats for live export	Goats	Prep	Welfare	Improved husbandry and welfare - Pre export
2012/13	W.LIV.0142	Strategies to reduce inanition in sheep	Sheep	All	Welfare	Reduction in mortality - Salmonella / inanition
2012/13	W.LIV.0393	Indonesian breeding cattle demonstration	Cattle	Asia	Welfare	Improved husbandry and welfare - In market

Annex 6. Details of Industry Publications and Support Material

Publication Name	Description	Code	Lang	Date	Update	Cease
Handbook of Australian Livestock	Comprehensive coverage of Australian cattle, sheep and goat breeds, a history and overview of the livestock industry including export and production. NB - MLA and LiveCorp members receive 1st copy free, \$20 a copy thereafter.	LEX002		Jun-89	Jul-00	Archived
Handbook of Australian Livestock - 5th Edition	Comprehensive coverage of Australian cattle, sheep and goat breeds, a history and overview of the livestock industry including export and production	LEX429	ENG	Jun-89	Nov-06	
Feeding Australian Commercial Cattle in the Philippines	Technical brochure explaining how to feed Australian cattle in the Philippines for market. Includes availability of stock feeds, nutrient requirements, ration formulation, bulky by-products, feed management, facilities and equipment and nutritional disorders.	LEX001	ENG	Jun-99		Archived
A technical and economic review of Cattle "Integration" in Malaysia	An updated report on the Malaysian cattle integration program.		ENG	Dec-99	Mar-07	
Scabby Mouth Vaccination	Outlines scabby mouth vaccination requirements for live export markets and answers frequently asked questions about scabby mouth vaccination.	LEX004		Mar-00		Archived
Tips & Tools: Preparation of Sheep for Export	Preparation of sheep for live export	LEX799	ENG	Mar-00	Jun-08	
Controlling Scabby Mouth in the Live Sheep Trade	Research clearly indicates that vaccination against scabby mouth in sheep before export has resulted in markedly low levels of incidence on discharge.	LEX005		May-00		Archived
Live Export News (on-line) - Mar 01	News and features on the livestock export industry, including news in brief, industry news, Asia, Middle East, R&D industry projects and the Livestock Export Accreditation Program.	LEX015		Mar-01		Archived
Scabby Mouth Vaccination...its on going issue for sheep and goats	This leaflet is designed to answer common questions about scabby mouth vaccinations required prior to export		ENG	Mar-01		
Live Export News (on-line) - June 01	News and features on the livestock export industry, including news in brief, industry news, Asia, Middle East, R&D industry projects and the Livestock Export Accreditation Program.	LEX016		Jun-01		Archived
Live Export News (on-line) - November 01	News and features on the livestock export industry, including news in brief, industry news, Asia, Middle East, R&D industry projects and the Livestock Export Accreditation Program.	LEX013		Nov-01		Archived
LiveCorp	Overview of The Australian Livestock Export Corporation Ltd (LiveCorp)	LEX006		Jan-02		Archived
LiveCorp- Industry Initiated Projects	Overview of LiveCorp/MLA joint Industry Initiated Projects program that provides funding and project management support.	LEX007		Jan-02		Archived
LiveCorp- Preparing Cattle For Live Export	Preparation of cattle for live export	LEX008		Jan-02		Archived
LiveCorp- Joint Livestock Export Program	Overview of LiveCorp joint Livestock export program that supports market development throughout Asia and the Middle East.	LEX009		Jan-02		Archived
LiveCorp- Joint Livestock Export R&D Program	Overview of Joint Livestock Export R&D Program aiming to develop science based best management practices for the Australian livestock export industry	LEX010		Jan-02		Archived
LiveCorp- Livestock Export Accreditation Program (LEAP)	Overview of Livestock Export Accreditation Program (LEAP), an industry-initiated quality assurance program that ensures all Australian livestock exporters are able to achieve and maintain world-class operating practices.	LEX011		Jan-02		Archived
Live Export News (on-line) - August 02	News and features on the livestock export industry, including news in brief, industry news, Asia, Middle East, R&D industry projects and the Livestock Export Accreditation Program.	LEX014		Aug-02		Archived
Live Export News (by mail)	News and features on the livestock export industry, including news in brief, industry news, Asia, Middle East, R&D industry projects and the Livestock Export Accreditation	LEX003		Sep-02		Archived

Publication Name	Description	Code	Lang	Date	Update	Cease
	Program.					
Guide to feeding goats in Malaysia	A factsheet on goat nutrition.	MLA, 449	ENG,B AHAS A	Mar-03		
Live Export News (on-line) - June 03	News and features on the livestock export industry, including news in brief, industry news, Asia, Middle East, R&D industry projects and the Livestock Export Accreditation Program.	LEX		Jul-03		Archived
Best Practice Use of Veterinary Drugs (October 2008)	This manual is a 'glove box' guide for exporters, managers of livestock export assembly depots and stockmen working with cattle, sheep or goats exported from Australia	LEX017	ENG	Apr-04	Oct-08	
Cattle Integration - Department of Agriculture Sarawak (under the palm)	Identification and response guide to disease and management of cattle under palm trees		ENG	Jan-05	Nov-06	
Tips & Tools - Minimising Land Transport Stress in Live Export Brahman Steers	Minimising land transport stress in live export Brahman steers		ENG	Apr-05		
Tips & Tools - Wetting Cattle to Alleviate Heat Stress on Ships.	Wetting cattle to alleviate heat stress on ships		ENG	May-05		
Handbook of Halal Indonesian Beef	Handbook to facilitate the marketing of meat within Indonesia		ENG	Jun-05		
Livelihood	A monthly statistical publication detailing livestock exports		ENG	Jun-05	May-11	
MLA / LiveCorp livestock export program - creating opportunities for the live trade	A factsheet on the important of the trade to WA.			Jun-05		Archived
The manual report restraining box project - 2nd Ed			ENG	Dec-05		Jun-08
South East Asia Feedlot Manual	Is a summary of numerous industry funded research studies covering the key components of a feedlot operation in a user friendly format	LEX809/ 810	ENG, BAH	Apr-06		Apr-10
The South East Asian Feedlot Manual		LEX424		Apr-06		
Manual of Yard Plans for South East Asian Abattoirs	This manual demonstrates the use of plans, 3-D drawings and descriptions of cattle yard designs that are suitable for both privately owned and public South-East Asian abattoirs	LEX797	ENG	Jun-06	Jun-08	
South East Asian abattoir yard manual		LEX425		Jun-06		
Australian Livestock Exports: The Facts	The facts about livestock exports.			Oct-06		Archived
Mini Australian Livestock Handbook	Summarised version of Handbook of Australian Livestock. This handout gives brief coverage of Australian Cattle, sheep and goat breeds, a history and over of the livestock Industry.		ENG	Nov-06		
Is It Fit to Export?	A pocket guide to assist industry deliver suitable animals for live export and maintain high standards of animal health and welfare during the live export process for sheep, goats and cattle.	LEX426	ENG	Sep-07		
Year in Review		LEX801	ENG	Feb-08	Feb-10	
Livestock Handling Guide	To improve communication, production and animal welfare in the Middle East and Africa	LEX021	ENG, ARA	Mar-08		
Livestock Handling Guide - Flip Cards	A guide to improve communication, production and animal welfare in the Middle East and Africa		ENG, ARA	Mar-08		
Australian Goat Manual for Malaysian Farmers	A guide to successful goat production from Australian goats in Malaysia	LEX020	ENG, Malay	Apr-08		
MENA Feedlot Manual	Feedlot training pack for the Middle East and North Africa covering topics on animal health and welfare, nutrition and heat stress management		ENG	May-08		
The Do's and Don'ts Guide of Livestock Handling	This is a demonstration of one of the numerous in-market education tools designed to give stockmen and people working with animals an understanding of how to handle	LEX019	ENG, ARA	Jun-08		

Publication Name	Description	Code	Lang	Date	Update	Cease
	them correctly					
Tips & Tools: Preparation of Cattle for Export	Preparation of cattle for live export	LEX800	ENG	Jun-08		
Is It Fit to Load to the Middle East?	A guide for the selection of animals fit to transport in the Middle East		ENG, ARA, TAG	Jun-08	Sep-07	
Preparation of Sheep for Live Export	Guide to the preparation of sheep for export			Jun-08		
The manual report restraining box project - 3rd Ed			ENG	Jun-08		May-09
Australian livestock – high quality, fit and healthy		MLA.449	ENG/B AH	Jul-08		
Australian livestock export industry		MLA.499	ENG/B AH	Jul-08		
Supporting the Malaysian livestock industry	A factsheet on the technical support that the MLA/LiveCorp Livestock Export Program provide.	MLA.499	ENG, BAH	Jul-08		
Training Gap Analysis				Jul-08		
Upgrade of an Existing Mark 2 Cattle Restraining Box for Ritual Slaughter		LEX		Aug-08		
LEP Information Fact Sheets		LEX803	ENG	Sep-08	Sep-09	
LEP Information Fact Sheets - WA		LEX805	ENG	Sep-08	Sep-09	
LEP Information Fact Sheets - NT		LEX806	ENG	Sep-08	Sep-09	
A guide to feeding goats in Malaysia			ENG/B AH	Sep-08		
Upgrade of an Existing Mark II Cattle Restraining Box for Ritual Slaughter	The upgrading of the an existing mark II cattle restraining box for ritual slaughter report outlines the development of a prototype mark II cattle restraining box, a box that evolved from the Mark I box.	LEX018	ENG	Oct-08		
Statistical Species Factsheet			ENG	Jan-09		Feb-11
Draft Dairy Herd Management in the Tropics	The farmers guide to good dairy herd management in the tropics.		ENG	May-09		
The Farmers Guide to Good Dairy Herd Management in the Tropics	The farmers guide to good dairy herd management in the tropics.		ENG	May-09		
The manual report restraining box project - 5th Ed			ENG	May-09		
Australian Livestock Export Industry: Case Study Financial Review	This handbook showcases the developments of the Australian livestock export industry including comprehensive information on Australian cattle, sheep, buffalo and goat breeds		ENG	Nov-09		
Cattle breeding guide - flip cards	A guide to the management for breeding cattle.		ENG/B AH	Mar-10		
Cattle Feedlot Treatment Guide - Flip Cards	A guide to the management and treatment of sick animals in South - East Asian feedlots.		ENG/B AH	Mar-10		
Manual for South-East Asian cattle feedlots	this manual is for South-East Asian cattle feedlots is designed as a user-friendly practical reference, assisting manages of feedlot and their staff on key management areas such as feedlot design, animal management, nutritional requirements and overall feedlot management.	LEX814/ 815	ENG/B AH	Apr-10		
Year in Review Envelopes		LEX802		May-10		
Livestock Export Stickers		LEX804		May-10		

Publication Name	Description	Code	Lang	Date	Update	Cease
Live Exports Jigsaw Puzzle		LEX807		May-10		
Live Exports Fabric Bag		LEX808		May-10		
Manual for South-East Asian cattle feedlots (Bahasa translation)		LEX810		May-10		
Cattle breeding guide.	A guide to the management for breeding cattle in South-East Asia.	LEX812		Oct-10		
Cattle breeding guide. (Panduan pembiakan sapi - Bahasa translation)	A guide to the management for breeding cattle in South-East Asia.	LEX813		Oct-10		
Livestock Export poster sets (5 in each)		LEX022		Oct-10		
Australian livestock export statistical review	The Australian livestock export statistical review is an extensive statistical report outlining a detailed summary of Australian exports for cattle, sheep and goats.		ENG	Feb-11		
Is it fit to load?	A national guide to the selection of animals fit to transport		ENG	2008		
Selection of horned livestock for export	A guide to the selection of horned livestock for export as feeder and slaughter livestock.		ENG	2010		
Live Export Program Factsheet	A factsheet on the livestock export program			Sep-2006	Oct-2006	Archived
Livestock export industry - important to all Australian producers	A factsheet on the importance of the livestock export industry to Australian producers			Sep-2006	Jun-2007	Archived
Asian Retail Cut Guide	Guide to beef items available from Australia & basic essentials of preparing beef for all aspects of Asian gastronomy	MLA	ENG, BAH			
Australian livestock exports - Middle East & North Africa Region	A factsheet on the Australian livestock exports to the Middle East & North Africa Region					Archived
Exsport Ternak Australian Sapi	Guide to Australian Cattle in Indonesia		BAH			
Posters - Do's and Don'ts set of 5	Livestock handling					
Ringworm Factsheet	A fact sheet on Ringworm that covers the type of disease, how it spreads, where is occurs and treatment.		ENG, CH			

Annex 7. Animal Welfare Issues and Improvements Achieved by MLA/LiveCorp

Annex 7.1 Middle East and North Africa

Bahrain

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	Livestock handling	Ongoing monitoring and training required	Livestock Handling <ul style="list-style-type: none"> Formal in-port training conducted in June 2007 Training conducted on and ongoing basis since 2007 Port discharge trailers – June 2009 <ul style="list-style-type: none"> Port trailer repaired and upgraded including repairs to ramps, chains and panels with shade added
Transport Port to Feedlot	Heavy vehicle curfew exists.	Removal of heavy vehicle curfews and implementation of discharge procedures	Truck driver training provided <ul style="list-style-type: none"> One contractor does all of the transport from the port to feedlot – ensure maintenance programs are developed. Stock specific transport trailers used
Feedlot	Feedlot capacity during summer months.	Develop management strategies to address capacity. Ongoing monitoring and training required	Livestock Handling June 2007 <ul style="list-style-type: none"> Targeted livestock handling education and training project conducted with BLC to cover - feedlot management, nutritional advice and animal welfare. Marine Yards – June 2009 <ul style="list-style-type: none"> New shade structures built with shade cloth upgraded. New water troughs were installed with load out yards upgraded.

Transport Feedlot to Abattoir / Market	Managed appropriately - purpose built livestock trailers	Ongoing monitoring and training required	Stock specific transport trailers.
Public Markets	Distribution of livestock direct to public for home or public slaughter	Tighter distribution policy for Eid sales from feedlot. No sales from feedlot to Manama market recommended.	Basic handling instruction has been provided at this facility
Abattoir – Sheep	Risk areas understood and managed appropriately.	Government engagement and continue to actively promote benefits of stunning. Facilitate religious leaders visit to Australia with the objective of accepting stunning as Halal.	Abattoir development – June 2007 <ul style="list-style-type: none"> • Animal handler training. • Unloading ramps and receival areas improved Stunning – Sheep – June 2010. <ul style="list-style-type: none"> • Educational visit to witness stunning in Jordan. • Abattoir infrastructure upgrade through installation of v-restrainers' to facilitate stunning in the future. • Yards upgraded to improve livestock flow to the v- restrainers'. • Local political sensitivities has stifled progress with acceptance of stunning. Handling training – ongoing
Abattoir – Cattle	Restraining device and method of restraint	Review restraining device Training in better use of restraining device	Handling training – ongoing
Eid / Religious Festivals	Distribution of livestock direct from feedlot to public	Tightening of Eid policy compliance & limited private sales.	Dec 08, Nov 09, Nov 10 <ul style="list-style-type: none"> • The LEP has assisted BLC to implement a no car boot policy for private sales. • Livestock were only sold to customers with appropriate vehicles.

		New stricter policy introduced in 2011 – no public sales	•
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Egypt

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port Sokhna	Risk areas understood and managed appropriately.	Ongoing monitoring and training required	• Commercially developed supply chain
Port Sokhna - laneway to feedlot	Livestock handling	Ongoing monitoring and training required Implementation of humane destruction policy/procedure required.	• Commercially developed supply chain
Transport Port to Ismailia Feedlot	Livestock handling and transport systems	Ongoing monitoring and training required Review transport system	• Commercially developed supply chain
Feedlot Sokhna	Risk areas understood and managed appropriately. Monitored as part of closed system	N/A	2010 • Training and awareness of animal welfare standards to a varied audience. • Support provided for receipt of first consignment under closed system. • Ongoing auditing and training on scanning system to ensure compliance.
Feedlot – Ismailia	Risk areas understood and managed appropriately.	N/A	N/A

	Monitored as part of closed system		
Transport Feedlot to Abattoir / Market	N/A – Closed System	N/A	N/A
Public Markets	N/A – Closed System	N/A	N/A
Abattoir Sokhna	Restraining device and method of restraint	Review restraining device Training in better use of restraining device	Inspection reports provided to DAFF in 2007 Ongoing monitoring and technical advice provided to Sokhna since 2008...
Abattoir Ismailia	Risk areas understood and managed appropriately.	N/A	N/A
Eid / Religious Festivals	N/A – Closed System	N/A	N/A

Israel

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	Livestock handling Maintenance of discharge equipment	Ongoing monitoring and training required Maintenance program and responsibility for trailer.	Animal handling training provided in 2008. Port discharge trailer – June 2009 <ul style="list-style-type: none"> Port discharge trailer repaired. Flood lights added to discharge trailer to improve visibility.
Transport Port to Feedlots	Risk areas understood and managed appropriately.	Monitor standard of trucks and drivers.	
Feedlots – General	Livestock handling	Ongoing monitoring and training required	Livestock handling – June 2008 <ul style="list-style-type: none"> Training and awareness of animal welfare standards to a varied audience Livestock handling – June 2011 <ul style="list-style-type: none"> Training and awareness of animal welfare standards
Feedlot – Ein Ha Shofet	Risk areas understood and managed appropriately.	Ongoing monitoring and training required	N/A
Feedlot – Dabach Sheep Farm	Risk areas understood and managed appropriately.	Ongoing monitoring and training required	N/A
Transport – Feedlots to Abattoirs / Markets	Risk areas understood and managed appropriately.	Ongoing monitoring and training required	N/A

Public Markets	Unknown distributions systems	Review distribution systems	N/A
Abattoir – Cattle	Restraining device and method of restraint	Review restraining device Training in better use of restraining device	N/A
Abattoir – Sheep	Risk areas understood and managed appropriately.	N/A	N/A
Eid / Religious Festivals	Unknown distributions systems	Review distribution systems	N/A

Jordan

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	Livestock handling Maintenance of discharge equipment	Ongoing monitoring and training required Maintenance program and responsibility for trailer.	2008/09 <ul style="list-style-type: none"> Review of discharge ramp conducted - ramp satisfactory. Animal handling training provided in 2009
Transport Port to Feedlots	Livestock handling	Ongoing monitoring and training required	2006/07 H&G trucks inspected Purpose built livestock crates.
Feedlot – Qwiera	Risk areas understood and managed appropriately.	Ongoing monitoring and training required	2006/07 Animal welfare and handling workshops and training

			completed.
Transport Feedlots to Abattoirs / Markets	Stocking density issues	Development of transport guidelines for pen densities.	
Public Markets	Unknown distributions systems	Review distribution systems	Madona livestock market No shade available over livestock pens (July 2008). This was one of the issues addressed by the Princess as part of her review of Jordan facilities and subsequent action.
Abattoir - Qwiera	Risk areas understood and managed appropriately.	Ongoing monitoring and training	Animal handling training provided in 2006 and 2007.
Abattoir - Greater Amman – Sheep	Risk areas understood and managed appropriately.	Ongoing monitoring and training	<i>Sheep Infrastructure - June 2009</i> <ul style="list-style-type: none"> • Installation of new sheep restraining and stunning equipment,
Greater Amman – Cattle	Restraining device and method of restraint	Training in better use of restraining device	Cattle Infrastructure <i>June 2007</i> <ul style="list-style-type: none"> • Installation of a ritual restraining box funded under the Keniry Program. <i>June 2009</i> <ul style="list-style-type: none"> • Installation of a stunning box together with cattle and sheep stunning equipment, funded by the Federal Government in conjunction with the

			Princess Alia Foundation and Animals Australia. Animal Handling – June 2007 • Training workshop conducted.
Madaba-Sheep/Cattle	Inappropriate infrastructure and practices	Infrastructure upgrades Ongoing monitoring and training	N/A
Salt Cattle	Inappropriate infrastructure and practices	Infrastructure upgrades Ongoing monitoring and training required	N/A
Irbid-Sheep/Cattle	Risk areas understood and managed appropriately.	Ongoing monitoring and training required	Infrastructure upgrades 2010/11 • Installation of new restraining box and upgrade of race and implementation of stunning completed.
Mafrag-Sheep/Cattle	Inappropriate infrastructure and practices	Infrastructure upgrades Ongoing monitoring and training required	N/A
Eid / Religious Festivals	Unknown distributions systems	Review distribution systems	N/A

Kuwait

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port Quarantine shed	Maintain infrastructure and equipment.	Requires importer to take responsibility for maintenance and regular upgrades to shed	Quarantine shed – 30 June 2008 <ul style="list-style-type: none"> All repairs made to non-functional equipment. 140 fans and 140 troughs fixed, additional fans installed and lighting repaired. Cattle discharge yards redesigned and built from appropriate materials Shed was fully functional following LEP repairs
Port Discharge race	Maintain infrastructure and equipment.	Requires importer to take responsibility for maintenance and regular upgrades of race	Livestock race constructed – 30 June 2008 <ul style="list-style-type: none"> Race was replaced with new panels constructed in Australia from appropriate steel. The lane was installed, with solid permanent fasteners to ground. The new panels are much better and no animals escape when they are used.
Port Discharge ramp	Maintain infrastructure and equipment. Livestock handling	Requires importer to take responsibility for maintenance and regular upgrades of race Ongoing monitoring and training	Sheep discharge trailer – 30 June 2008 <ul style="list-style-type: none"> Newly designed discharge trailer was constructed and installed.
Transport Port to Feedlots	Livestock handling Government curfew periods for trucks result in welfare implications for sheep at discharge, particularly through summer.	Ongoing monitoring and training required Negotiations with Kuwaiti Government required on heavy vehicle curfew or manage discharge schedules.	Livestock Discharge Training – June 2007 <ul style="list-style-type: none"> In-port training conducted at load out bays.

Feedlot – KLTT	Risk areas understood and managed appropriately.	Ongoing monitoring and training required	<p>June 2007</p> <ul style="list-style-type: none"> Targeted livestock handling education and training project conducted with KLTT to cover - Truck driver training, feedlot management, nutritional advice and animal welfare Animal handling training has been provided as part regular LEP programs. <p>2008-10</p> <ul style="list-style-type: none"> Numerous issue management reports have been provided to Kuwait management.
Feedlot – GLC	Risk areas understood and managed appropriately.	Ongoing monitoring and training required	
Transport – Feedlots to Abattoirs / Markets	Livestock handling	Ongoing monitoring and training required	
Public Markets	Unknown distributions systems Livestock handling	Engagement of Govt and importers to address issue and change private sales policies.	<ul style="list-style-type: none"> Continued lobbying for better sales and slaughter process and improved facilities and practices at existing markets and slaughter houses.
Abattoirs			
Hawally	Livestock handling	Ongoing monitoring and training required	
Shuwaikh General	Livestock handling and Infrastructure (loading ramps)	<p>Ongoing monitoring and training required</p> <p>Ongoing maintenance required</p>	<p>30 June 2008</p> <ul style="list-style-type: none"> Ramps were re-concreted to prevent slipping and injury to livestock.

Shuwaikh Public slaughter hall - Sheep	Livestock handling	Infrastructure upgrades Ongoing monitoring and training required	30 June 2008 <ul style="list-style-type: none"> Ramp was modified to include non-slip flooring. This was later modified to include a narrow non-slip race but is now often bypassed. An additional ramp was installed adjacent to the ramp at the hall, mainly for trucks to unload. Around 20 sheep trolleys have been supplied to Shuwaikh. These have been used with success.
Shuwaikh Commercial hall X 2 – Sheep	Livestock handling and incorrect use of equipment	Engagement of Government departments and slaughter house operators to enforce required changes with ongoing training. Slaughter house vets must enforce the rules to achieve widespread compliance	New commercial hall -30 June 2010 <ul style="list-style-type: none"> Proper slaughter bays with ramps, gates and races were constructed and delivered. Each bay consists of a race from the lairage, a holding/forcing pen; ramp with a flap door which leads directly to a slaughter table. Old Commercial Hall - 30 June 2010 <ul style="list-style-type: none"> Proper slaughter bays with ramps, gates and races were constructed and delivered. Each bay consists of a race from the lairage, a holding/forcing pen; a ramp with a curtain which leads to a slaughter table.
Farwaniya - Sheep	Livestock handling Incorrect use of equipment Traditional slaughter occurring	Engagement of Government departments and slaughter house operators to enforce required changes	30 June 2010 <ul style="list-style-type: none"> 2 sheep slaughter bays were constructed and delivered. Each bay consists of a race from the lairage, a ramp with a flap door which leads to the slaughter table. Training was conducted with significant LEP presence to ensure the local slaughtermen were engaged with the changes
Farwaniya - Cattle	Livestock handling Incorrect use of equipment	Engagement of Government departments and slaughter house operators to enforce required changes	30 June 2010 <ul style="list-style-type: none"> Mark 4 restrainers' installed for individual, restrained cattle slaughter

Jahra	Ensure correct use of recently installed equipment	Ongoing monitoring and training	30 Dec 2010 New slaughter equipment built and installed.
Dharah	Livestock handling Traditional slaughter occurring	Engagement of Government departments and slaughter house operators to enforce required changes with ongoing training.	30 Dec 2010 New slaughter equipment built but not initially accepted by the commercial operator. New equipment being installed July 2011.
Eid Al Adha / Religious Festivals	Public sales occur on a daily basis peaking during Eid periods.	Engagement of importers and govt to address issue and change private sales policies.	

Libya

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	Livestock handling	Ongoing monitoring and training	Misurata port – August 2007 <ul style="list-style-type: none"> A port discharge ramp was transported to the port by the Australian exporter following advice from the LEP.
Feedlot	Livestock handling	Ongoing monitoring and training	Infrastructure – July 2007 <ul style="list-style-type: none"> Work completed on new infrastructure leading to significant improvement in all areas. Sheep handling – June 2008 <ul style="list-style-type: none"> “Sheep talkers” distributed to feedlot operators. Portable sheep drafting yard was constructed and delivered to the feedlot.

Markets	Unknown distribution systems	Investigate sales and distribution systems	N/A
Abattoirs Benghazi Sheep & Cattle	Infrastructure suitability and maintenance.	Ongoing monitoring and training	Cattle Slaughter – August 2007 <ul style="list-style-type: none"> • Installation of two restraining boxes. 1 for Ali Gemel & 1 for Al Medina. • Training on the use of restraining boxes provided. Sheep Slaughter – June 2008 <ul style="list-style-type: none"> • Installation of sheep race, ramp and slaughter table. • Training on the use of sheep race, ramp and slaughter table provided.
Misurata	Traditional slaughter practiced	Need for suitable infrastructure and training	
Tripoli - Tajira Sheep & Cattle	Traditional slaughter practiced	Need for suitable infrastructure and training	
Tripoli - Al Khadra Sheep & Cattle	Livestock handling Incorrect use of infrastructure	Ongoing monitoring and training	Cattle Slaughter – August 2007 <ul style="list-style-type: none"> • Sheep yard, ramp, race and slaughter table constructed. • Training on use of new infrastructure provided. Sheep Slaughter – June 2008 <ul style="list-style-type: none"> • Restraining box installed. The copy box and forcing pen were constructed by the owner. • Training on use of new infrastructure provided. General issues – June 2008 <ul style="list-style-type: none"> • Training provided on identification and eradication of fly breeding areas • Hot water used to make a hygienic knife scabbard out of PVC pipe

Oman

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	Livestock handling	Ongoing monitoring and training	Livestock Discharge Training – June 2007 <ul style="list-style-type: none"> In-port training conducted. Port Trailer – June 2008 <ul style="list-style-type: none"> New discharge trailer constructed and used in place of old trailer.
	Road curfew on trucks during peak traffic periods leading to delays in discharge...	Seek dispensation for livestock trucks on welfare grounds allowing use of roads between 7-9am and 1-3pm.	June 2011 Individual importers to facilitate – LEP to raise with Oman Govt officials
Feedlot	Infrastructure and livestock handling	Ongoing monitoring and training	Livestock handling – June 2007 <ul style="list-style-type: none"> Targeted livestock handling education and training project conducted with importers Truck driver training, feedlot management, nutritional advice and animal welfare animal handling training has been provided as part of regular LEP programs.
Markets	Unknown number of livestock markets Distribution of livestock direct to public for home slaughter	Complete full assessment of major markets in interior and document standards, practices and facilities.	
Abattoirs	Unknown number of small slaughter facilities and infrastructure standard.	Complete full assessment of slaughter facilities	
Muscat Municipality	Livestock handling	Ongoing monitoring and training	

Eid Al Adha sales	Distribution of livestock direct to public for home slaughter.	Improved distribution policy for Eid sales required	June 2011 Discussions with Omani Government
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Qatar

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	Livestock handling	Ongoing monitoring and training	Livestock Discharge Training In-port training conducted.
	Infrastructure – design of discharge ramp and port design	Contribute to the design & construction principles for new port discharge system. Liaise regularly with new port consultant team in Doha.	Discharge Trailer - 2008/09 <ul style="list-style-type: none"> Review of discharge ramp conducted. No action taken.
Feedlot	Livestock handling	Ongoing monitoring and training	Livestock handling – June 2007 <ul style="list-style-type: none"> Targeted livestock handling education and training project conducted which covered - Truck driver training, feedlot management, nutritional advice and animal welfare Animal handling training has been provided as part regular LEP.
Livestock markets	Distribution of Australian animals during Eid Al Adha	Change sales policy Limit or stop supply of sheep to public market for Eid No AUS livestock sold in public market from June 2011.	

Abattoirs Mawashi Commercial – Sheep	Livestock handling	Ongoing monitoring and training	Abattoir development – June 2007 <ul style="list-style-type: none"> Animal handler training. Sheep Slaughter – June 2010 <ul style="list-style-type: none"> Replacement of old V-restrainers' with a new one. Sheep lairage area – June 2010 <ul style="list-style-type: none"> New race installed. New yard configuration.
Mawashi Commercial – Cattle	Livestock handling	Ongoing monitoring and training	2010/11 <ul style="list-style-type: none"> Installation of Mark 4 restraining box and upgrade of race.
Mawashi Public – Sheep 1	Inappropriate infrastructure and practices for Australian animals	Infrastructure upgrades required	Sheep Hall 1 – June 2009 <ul style="list-style-type: none"> Race and ramp designed to facilitate Eid Al Adha improvements. 2010/11 LTAWP. <ul style="list-style-type: none"> New lairage pens, race and slaughter tables.
Mawashi Public – Sheep 2	Inappropriate infrastructure and practices for Australian animals	Prevent Australian animals from being slaughter at facility	
Mawashi Public – Cattle	Livestock handling	Ongoing monitoring and training	2010/11 LTAWP. Installation of new restraining box, lairage and races.
Eid Al Adha sales	Sale of livestock direct to public for home slaughter. Insufficient number of appropriate vehicles for livestock collection.		June 2011 <ul style="list-style-type: none"> Discussion with Mawashi management Improved sales and distribution policy for Eid period

Saudi Arabia

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	Livestock handling	Ongoing monitoring and training	Sheep loading ramps – June 2009 <ul style="list-style-type: none"> Replacement of old ramps with four new ones. Sheep Discharge Trailer – June 2010 <ul style="list-style-type: none"> Development and construction of multi-deck port trailer.
Feedlot	Livestock handling	Ongoing monitoring and training	<ul style="list-style-type: none"> Stock handling training provided. Ration improvements through feed trial.
Livestock markets	Unknown number of distributions	Investigate and assess distribution systems	
Abattoirs	Limited understanding of the distribution of livestock and number of abattoirs Expected that most locations practicing traditional slaughter methods.	Investigate and assess distribution systems Implement infrastructure upgrades as required	2010/11 <ul style="list-style-type: none"> Sheep slaughter equipment installed in Al-Khomra Slaughter House Improved cattle race installed between lairage yards and slaughter house at Palestine Road.

Turkey

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	Livestock handling <ul style="list-style-type: none"> 3 key ports Darinca Port / Istanbul / Izmir Ongoing need to improve the handling & transport vehicles at discharge. 	Ongoing monitoring and training required Implementation policy/procedure required.	
Feedlots	Livestock handling Unknown number of feedlots receiving Australian cattle	Ongoing monitoring and training Investigate and assess facilities	
Markets	No understanding of the distribution of livestock. Unknown number of livestock being sold to public	Investigate and assess distribution systems	
Abattoirs	Unknown number of facilities being used.	Investigate and assess abattoirs Liaise with importer to confirm locations	
Point of slaughter cattle	Restraining device and method of restraint	Review restraining device Training in better use of restraining device	
Point of slaughter sheep	Traditional slaughter practiced	Ongoing monitoring and training Infrastructure upgrades	

Eid Al Adha	Distribution system unknown	Investigate distribution system	

United Arab Emirates

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	Livestock handling	Ongoing monitoring and training	<p>Livestock discharge Training – June 2007</p> <ul style="list-style-type: none"> In-port training conducted. <p>Port discharge trailers – June 2009</p> <p>Port trailer was successfully repaired and upgraded including repairs to ramps, chains and panels with shade added.</p>
Feedlot	Livestock handling	Ongoing monitoring and training	<p>Livestock handling - June 2007</p> <p>Targeted livestock handling education and training project conducted to cover - truck driver training, feedlot management, nutritional advice and animal welfare. Animal handling training has been provided as part of regular LEP programs</p>
Markets Dubai livestock market	<p>Distribution of Australian animals to the public</p> <p>Livestock handling</p>	<p>Prevent sales to livestock market.</p> <p>This policy implemented June 2011.</p>	

Abattoirs Dubai municipal	Risk areas understood and managed appropriately.	Ongoing monitoring and training	Lairage - June 2007 <ul style="list-style-type: none"> Review of lairage system conducted and advice given on how to speed up the process. Hygiene - June 2007 <ul style="list-style-type: none"> Copies of OIE Guidelines provided Training workshop on animal welfare conducted
Abu Dhabi	Risk areas understood and managed appropriately.	Ongoing monitoring and training	<ul style="list-style-type: none"> MENA Award for processing excellence given in 2010
Eid al Adha	Distribution of livestock to the public	Prevent sales to livestock market. Policy adopted June 2011.	

Annex 7.2 South East Asia & Japan

Indonesia

Supply Chain	Animal welfare risk areas	Actions to address risk areas	Improvements achieved to date
Port	<p>Livestock handling</p> <p>Ongoing need to improve the handling during discharge.</p> <p>Port trailers maintenance</p>	<ul style="list-style-type: none"> • Ongoing training and provision of training materials. • Develop a maintenance program with exporters and importers. 	<p>Port discharge trailers - 30 May 2008</p> <ul style="list-style-type: none"> • 8 port trailers where built and installed during 2008/09 • 2 X Tanjung Priok, • 2 X Panjang, • 1 X Belawan (Medan) • 1 X Surabaya • 1 X Cilacap
Transport	<p>Vehicles - Truck crate design and operation and journey management</p> <p>Use of inappropriate vehicles & no long journey management procedures.</p> <p>Livestock handling</p> <p>Ongoing need to improve the handling during transport</p>	<ul style="list-style-type: none"> • Ongoing training and development of best practice guidelines. • Ongoing monitoring and training. 	<p>Transport guidelines - June 2010</p> <ul style="list-style-type: none"> • Development of feedlot manual with transport guidelines and stocking densities. <p>Livestock Handling - 2009/2010</p> <ul style="list-style-type: none"> • Through out 2009 and 2010 animal handling training work shops conducted
Feedlot – Feeder cattle	<p>Feedlot management</p> <p>Ongoing technical support required around infrastructure, pen</p>	<ul style="list-style-type: none"> • Ongoing training and provision of training materials 	<p>Feeding - 2009/2010</p> <ul style="list-style-type: none"> • Through out 2009 and 2010 technical assistance was provided to many operators.

	<p>management and nutrition.</p> <p>Livestock handling</p> <p>Ongoing need to improve the handling practices.</p>		<ul style="list-style-type: none"> June 2010 - Development of feedlot manual with nutrition guide. <p>Animal Health - 2009/2010</p> <ul style="list-style-type: none"> Through out 2009 and 2010 technical assistance was provided to many operators. June 2010 - Development of feedlot manual with treatment guides and flip charts. <p>Animal Management -2009/2010</p> <ul style="list-style-type: none"> Through out 2009 and 2010 technical assistance was provided to many operators. June 2010 - Development of feedlot manual with treatment guides and flip charts.
Feedlot - Intensive breeder	<p>Cow management</p> <p>Managing condition score, pens and nutrition.</p> <p>Calf management</p> <p>Calving management, feeding, pens.</p>	<ul style="list-style-type: none"> Increased technical support required for intensive breeder operations on management. 	<p>Cow management – 2009/2010</p> <ul style="list-style-type: none"> Through out 2009 and 2010 technical assistance was provided to many operators. <p>Calf management – 2009/2010</p> <ul style="list-style-type: none"> Through out 2009 and 2010 technical assistance was provided to many operators.
Livestock Distribution	<p>Fragmented distribution</p> <p>Unknown number of locations where Australian cattle are going for sale and slaughter</p>	<ul style="list-style-type: none"> Greater knowledge by feedlotters as to where their cattle go for slaughter. 	<p>March 2010</p> <ul style="list-style-type: none"> APFINDO members committed to nominating an animal welfare officer to identify where all cattle are being processed.
Abattoirs	<p>Traditional Slaughter</p> <p>Inappropriate slaughter practices.</p>	<ul style="list-style-type: none"> Prevent sales of Australian cattle to facilities using traditional slaughter 	<p>Restraining Box Program Developed - Since 2000</p> <ul style="list-style-type: none"> Development of restraining box program delivering infrastructure improvements at the point of slaughter. Covered under new control supply chain

			requirements.
Abattoirs	Animal handling and slaughter practices <ul style="list-style-type: none"> Ongoing need to improve the handling practices pre slaughter 	<ul style="list-style-type: none"> Ongoing training and provision of training materials 	Animal handling and slaughter practices - Since 2008 <ul style="list-style-type: none"> Detailed SOP was developed and has been delivered to facilities receiving restraining boxes and refresher training has occurred regularly.
Abattoirs	Stunning Limited stunning being practiced in Indonesia	<ul style="list-style-type: none"> Encourage the adoption of stunning in the slaughter of Australian cattle in Indonesia 	Stunning Project - 2009/2010 <ul style="list-style-type: none"> Feasibility study into expanding stunning. Stunning Project - 2010/2011 <ul style="list-style-type: none"> Gained registration for the import of non penetrative stunners and power loads. The project has completed an educational DVD as an extension tool that explains the stunning process with local MUI representative endorsing stunning on the Video. A set of training materials outlining correct use and maintenance of stunning equipment has been developed and distributed. Training of abattoir staff in correct use of stunning equipment has been delivered. Designs and refits have been constructed for a conversion of a Mark I box to a stunning box and a dedicated stunning box. As at 31st May 2011 - 2 abattoirs have implemented stunning as part of their daily slaughtering process.

Philippines

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	Livestock handling Infrequent shipments lead to lack of regularly engaged wharf labour and truck drivers.	<ul style="list-style-type: none"> Require monitoring of port facilities to ensure good handling during discharge 	N/A
Transport	Requires further assessment to understand issues	<ul style="list-style-type: none"> Review transport systems. 	Truck guidelines – June 2010 <ul style="list-style-type: none"> Development of feedlot manual with transport guidelines and stocking densities.
Feedlot	Feedlot management Ongoing technical support required, feeding and animal health. Livestock handling	<ul style="list-style-type: none"> Ongoing technical support to feedlotters required Ongoing monitoring and training. 	Feedlot management – 2009/2010 <ul style="list-style-type: none"> Through out 2009 and 2010 technical assistance was provided to many operators. June 2010 - Development of feedlot manual with nutrition guide has been distributed Livestock Handling – 2009/2010 <ul style="list-style-type: none"> Through out 2009 and 2010 animal handling training work shops conducted
Livestock Distribution	Unknown number of locations were Australian cattle are going for sale and slaughter	<ul style="list-style-type: none"> Work with feedlotters to better understand distribution and issues 	N/A
Abattoirs	Animal handling and slaughter practices <ul style="list-style-type: none"> Ongoing need to improve the handling practices pre slaughter Slaughtering processes. Halal slaughter is not required.	<ul style="list-style-type: none"> Need government commitment to enforce the use of stunning. Need abattoir management to recognise the improved meat quality and value for money of stunning. Need committed distribution company to service 	Stunning - March 2008 <ul style="list-style-type: none"> Stunners provided to abattoirs. Training in the proper use of stunners conducted. Consultation with importers of stunners and power loads

	Cattle are often pithed rather than stunned.	abattoirs with stunning equipment.	
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Malaysia - Cattle

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Ports	Livestock handling Infrequent shipments lead to lack of regularly engaged wharf labour and truck drivers.	<ul style="list-style-type: none"> Ongoing monitoring and training. 	N/A
Feedlot	Peninsular Malaysia Feedlot management Ongoing technical support required on feeding and animal health Livestock handling Feedlot staff lack experience in low stress handling cattle	<ul style="list-style-type: none"> Ongoing technical support to feedlotters required. Ongoing monitoring and training. 	Feedlot management – 2009/2010 <ul style="list-style-type: none"> Through out 2009 and 2010 technical assistance was provided to some of the operators. June 2010 - Development of feedlot manual with nutrition guide has been distributed Livestock handling – 2009/2010 <ul style="list-style-type: none"> Through out 2009 and 2010 animal handling training work shops conducted
Cattle Abattoirs	Animal handling and slaughter practices <ul style="list-style-type: none"> Ongoing need to improve the handling practices pre slaughter 	<ul style="list-style-type: none"> A review of cattle slaughter would need to be conducted to determine issues 	

Malaysia - Goats

Supply Chain	Animal welfare risk areas	Actions to address risk areas	Improvements achieved to date
Ports -goats	<p>KLIA</p> <p>Monitor and review use of discharge and holding facilities</p> <p>Improve handling practices</p> <p>Eastern Malaysia</p> <p>Unknown facilities and handling / distribution procedures.</p>	<ul style="list-style-type: none"> • Training of airport and importers staff on handling on discharge 	<p>Port Discharge - June 2010</p> <ul style="list-style-type: none"> • Significant amounts of new infrastructure implemented, including: new ramps, feed and water facilities • Existing infrastructure (such as yards, laneways and holding areas) repaired and upgraded
Goat farms	<p>Livestock Handling and Management</p>	<ul style="list-style-type: none"> • Training of staff on handling and feeding management. 	<p>Feedlot management – 2009/2010</p> <ul style="list-style-type: none"> • Through out 2009 and 2010 technical assistance was provided to some of the operators. <p>Livestock handling – 2009/2010</p> <ul style="list-style-type: none"> • Through out 2009 and 2010 animal handling training work shops conducted.
<p>Goat Abattoirs –</p> <p>Shah Alam, KL</p>	<p>The majority of slaughter goats are processed at this facility.</p> <p>Lack of use of recently installed equipment</p>	<ul style="list-style-type: none"> • Training of staff on handling and processing of goats. 	<p>Security - June 2010</p> <ul style="list-style-type: none"> • Security Weldmesh (BRC) installed around holding area. <p>Speed of slaughter processing – June 2010</p> <ul style="list-style-type: none"> • New race, ramp and slaughter table installed. <p>Goat Slaughter – June 2010</p> <ul style="list-style-type: none"> • New race, ramp and slaughter table installed. <p>Hygiene – June 2010</p> <ul style="list-style-type: none"> • Training conducted by local LEP consultant

Goat Abattoirs	Unknown Distribution	<ul style="list-style-type: none"> Review distribution system. 	N/A
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Brunei

Supply Chain	Animal welfare risk areas	Action to address risk area	Improvements achieved to date
Port	Livestock Handling Infrastructure	<ul style="list-style-type: none"> Ongoing monitoring and training. 	N/A
Feedlot	Technical support Ongoing technical support required on feeding and animal health Livestock handling Feedlot staff lack experience in low stress handling cattle	<ul style="list-style-type: none"> Ongoing technical support to feedlotters required 	N/A
Abattoirs	Eid - Korban slaughter Poor slaughter processes	<ul style="list-style-type: none"> A review of cattle slaughter would need to be conducted to determine issues 	N/A

Japan

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	No reported issues however potential welfare issues with Animal handling associated with inexperienced handlers	<ul style="list-style-type: none"> Ongoing monitoring and training. 	N/A
Feedlot	Technical support Ongoing technical support required on feeding and animal health Livestock handling	<ul style="list-style-type: none"> Ongoing monitoring and training. 	N/A
Abattoirs	Little detail known. However, advice is that modern processing using stunning is practiced.		N/A

Singapore

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Airport - sheep	No reported issues however potential welfare issues with Animal handling associated with inexperienced handlers	<ul style="list-style-type: none"> Ongoing technical support required 	N/A
Feedlot	Inadequate facilities to hold sheep delivered for the Eid sacrifice.	<ul style="list-style-type: none"> Ongoing technical support to feedlotters required 	N/A
Markets	<p>Sheep are distributed to mosques for sacrifice.</p> <p>Poor handling and slaughter practices</p>	<ul style="list-style-type: none"> Ongoing technical support to feedlotters required 	N/A

Vietnam

Supply Chain	Animal welfare risk areas	Action to address risk areas	Improvements achieved to date
Port	No large shipments for many years – potential welfare issues with animal handling associated with inexperienced handlers if market resumes	<ul style="list-style-type: none"> Ongoing technical support required 	N/A
Airport	Air freight consignments arriving – No detail on issues	<ul style="list-style-type: none"> Ongoing technical support required 	N/A
Feedlot	Feedlot built for Australian cattle currently importing from Cambodia, Support required if Australian cattle provided	<ul style="list-style-type: none"> Ongoing technical support required 	N/A
Abattoirs	<p>Modular abattoir built with restraining box in readiness for Australian cattle</p> <p>Little knowledge of facilities and procedures.</p> <p>Halal slaughter not required</p>	<ul style="list-style-type: none"> Currently no programs in place to improve welfare at slaughter A review of cattle slaughter would need to be conducted to determine issues 	N/A

Annex 8. ABARES Survey of beef cattle producers in northern live cattle export regions, 24 June to 1 July 2011

Key Points

- ABARES surveyed 230 farm businesses in northern Australia in late June / early July 2011 to determine the effects of the suspension of the trade in slaughter cattle to Indonesia.
- Of the estimated 1459 farm businesses with more than 100 beef cattle, 660 intended to export cattle to Indonesia in 2011, with 300 of these intending to sell more than 50 per cent of their total cattle turnoff to that trade. Regions with the highest dependence on the trade to Indonesia include those in northern Western Australia and the northern regions of the Northern Territory.
- Trade is also highly concentrated, the largest 6 per cent of farm businesses (around 78 businesses) accounted for 65 per cent of intended exports to Indonesia, while the smallest 24 per cent of businesses accounted for only 5 per cent of intended exports.
- Family businesses account for 91 per cent of businesses but only 70 per cent of intended exports, while the 9 per cent of corporate farm businesses account for 30 per cent of intended exports.
- Farm businesses in northern Australia intended to export 596,000 head of cattle to Indonesia in 2011 (or 33 per cent of cattle turn-off). This is despite a quota of 500,000 imposed by Indonesia.
- At the time of the survey around 61 per cent, or 365,000 head, remained unsold. Of these, 274,000 were ready for the Indonesian market – with 57 per cent of these in the Northern Territory, 31 per cent from northern Western Australia and 11 per cent from northern Queensland. It was expected that around 64 per cent of these cattle (177,000 head) would still meet Indonesian live export weight specifications if they remained on the property until the end of July.
- Only 32 per cent of farms with cattle on hand and intended for export to Indonesia were actively seeking alternative markets for these cattle at the time of the survey. For those

seeking alternative markets, a range of options were being considered, including sales to other overseas markets and selling cattle to feedlotters or backgrounders.

- An estimated 176 000 head of cattle would require additional feed or agistment if retained on properties. The average time before additional feed would be required varied between 1.1 months (Top End – Roper-Gulf area) to 4.5 months (central north Queensland).
- Around 326 employees are estimated to have been either laid-off or not hired by businesses between the announcement of the suspension (8 June) and the end of June.
- Around 46 per cent of farm businesses in northern Australia with cattle remaining for export to Indonesia made changes to business management in response to the suspension of the trade – with the highest proportion (83 per cent) in northern Western Australia. These changes included deferral of non-essential expenditure on capital, plant, infrastructure and repairs; changed or delayed mustering; returning mustered cattle to mustered areas; delaying loan repayments; and reducing staff numbers.
- Uncertainty about the duration of the suspension (at the time of the survey) was reported by 75 per cent of farm businesses to be the most important short term constraint to managing the trade's suspension. Other important constraints included finance and cash flows, insufficient information on alternative markets, availability of feed, and availability of livestock transport.
- Farm businesses indicated a range of strategies that they would adopt to respond to the impact of the suspension including finding alternative markets for cattle, reducing non-essential expenditure on capital and repairs, changing mustering plans, increasing stocking rates and adjusting herd management. Around one-third indicated that they may need to address land degradation issues arising from overgrazing.
- Around 5 per cent of businesses indicated that they would be unlikely to continue to operate beyond a few months if the suspension continued.

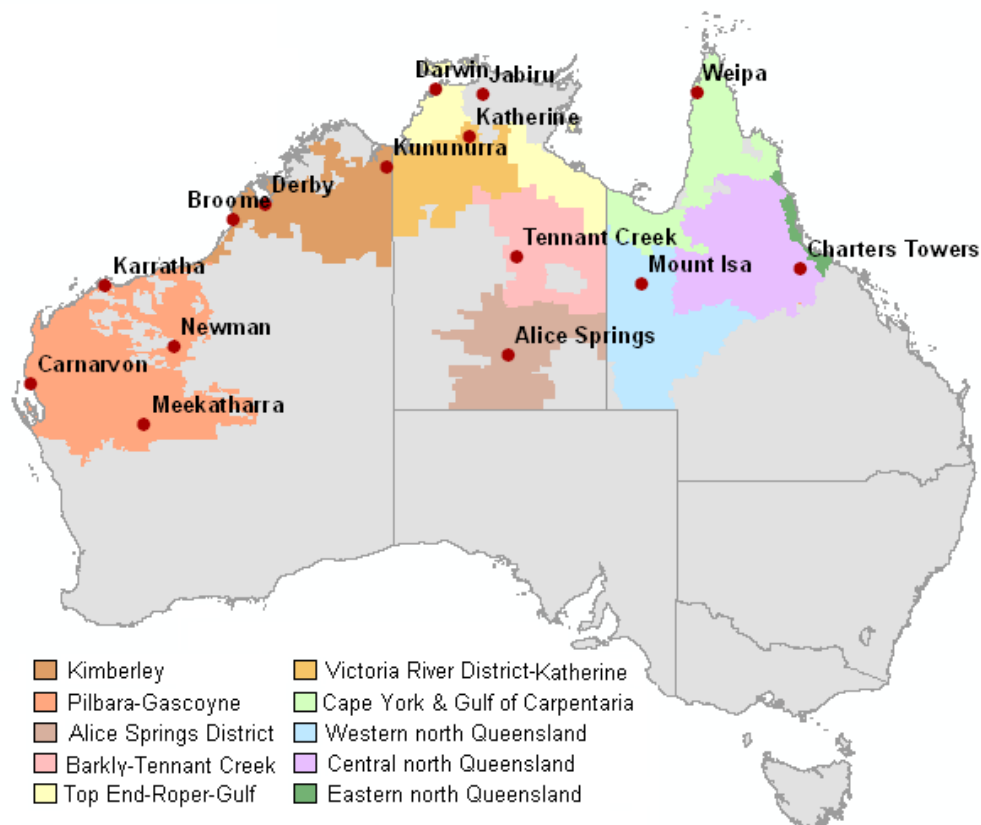
Preliminary results

The survey

ABARES surveyed 230 farm businesses in northern live cattle export regions between 24 June 2011 and 1 July 2011. The survey was aimed at determining the effects on farm businesses in the northern live cattle export regions of the suspension of trade to Indonesia of cattle intended for slaughter. The survey aimed to help governments, industry and service providers respond to the regional effects of the trade suspension.

The survey sought information on the current reliance of farm businesses on the sale of live export cattle to Indonesia; the immediate impacts of the trade suspension in place at that stage; the livestock management and marketing options currently being considered by producers; and the constraints producers faced in managing the situation; as well as, changes required to farm management had the trade suspension extended beyond the end of July.

Map 1: Northern live cattle export regions



The survey was targeted at farm businesses located in northern live cattle export regions (map 1) with more than 100 beef cattle at 30 June 2011. Specialist feedlots, including live export holding facilities were not included.

The survey sample was designed to be population representative at the region level (each of the 10 regions defined in Map 1) with 230 sample farms selected from the Australian Bureau of Statistics (ABS) business register. Included in the sample were 155 farm businesses currently co-operating in ABARES Australian Agricultural and Grazing Industries Survey (AAGIS). Sample farms were chosen

randomly from within herd size strata within regions. Data were collected via telephone survey using experienced ABARES survey staff. There was a positive response to the survey by participants and the response rate for the survey was 100 per cent. The 230 sample farm businesses were weighted to represent the population of farm businesses and beef cattle numbers within strata using benchmarks for beef cattle numbers at 1 July 2010 provided by the ABS.

1 Farm businesses with greater than 100 beef cattle at 30 June 2011, northern live cattle export regions

	Number of businesses	Businesses intending to export live cattle to Indonesia in 2011a		Businesses with cattle ready for live export to Indonesia ab		Businesses with more than 50 per cent of cattle turnoff intended for live export to Indonesia in 2011a	Sample
	no.	no.		no.		no.	no.
Cape York and Gulf of Carpentaria	70	29 (30)		15 (30)		22 (38)	19
Western north Queensland	187	19 (79)		19 (79)		2 (135)	21
Central north Queensland	598	274 (36)		80 (36)		29 (57)	49
Eastern north Queensland	254	51 (56)		10 (56)		42 (65)	21
Northern Queensland	1110	373 (28)		124 (28)		95 (35)	110
Kimberley	52	50 (3)		47 (3)		31 (20)	23
Pilbara-Gascoyne	127	110 (7)		72 (7)		93 (12)	37
Northern Western Australia	178	160 (5)		119 (5)		123 (10)	60
Alice Springs District	41	1 (94)		1 (94)		1 (95)	11
Barkly -Tennant Creek	23	19 (7)		18 (7)		10 (23)	17
Victoria River District-Katherine	84	84 (0)		83 (0)		55 (36)	20
Top End-Roper-Gulf	22	22 (0)		16 (0)		17 (22)	12
Northern Territory	171	127 (1)		120 (1)		83 (24)	60
Northern Australia	1459	660 (16)		363 (16)		300 (13)	230

a Export of live cattle to Indonesia for the purpose of slaughter. b At time of survey 24 June to 1 July 2011.

Figures in parentheses are standard errors expressed as a percentage of the estimate provided.

Source: ABARES Survey of northern live cattle export regions June 2011

Farm businesses

There was an estimated 1459 farm business with more than 100 beef cattle at 30 June 2011, in northern live cattle export regions (excluding specialist feedlots). Of these businesses, an estimated 660 intended to export cattle to Indonesia in 2011 (table 1).

Around 300 of these farm businesses intended to sell more than 50 per cent of the total cattle turnoff for 2011 for live export to Indonesia. Regions with the highest percentage of farm businesses intended to sell more than 50 per cent of the total turnoff for live export to Indonesia were the Top End-Roper-Gulf and Pilbara-Gascoyne (73 per cent), Victoria River District-Katherine (65 per cent) and the Kimberley (60 per cent). By contrast, less than 5 per cent of farm businesses in West and Central north Queensland and the Alice Springs District intended to sell more than 50 per cent of their turnoff for live export to Indonesia.

2 Beef cattle numbers, farm businesses with greater than 100 beef cattle at 30 June 2011 in northern live cattle export regions

	Beef cattle at 1 July 2010	Beef cattle at 30 June 2011	Change in number of cattle from 1 July 2010 to 30 June 2011	Cattle intended for live export to Indonesia in 2011a	Cattle intended for live export remaining unsold at 30 June 2011a	Cattle ready for live export to Indonesia b	Percentage of cattle intended for live export remaining unsold at 30 June 2011a	Percentage of total turnoff intended for live export to Indonesia in 2011a
	no.	no.	no.	no.	no.	%	%	%
Cape York and Gulf of Carpentaria	533 000 (13)	565 000 (13)	33 000 (19)	17 000 (37)	10 000 (29)	5 000 (56)	62 (10)	16 (34)
Western north Queensland	946 000 (22)	952 000 (23)	6 000 (32)	7 000 (87)	7 000 (70)	5 000 (93)	100 (0)	2 (90)
Central north Queensland	1 912 000 (21)	1 936 000 (22)	24 000 (30)	48 000 (24)	32 000 (19)	20 000 (30)	67 (14)	12 (30)
Eastern north Queensland	112 000 (26)	109 000 (27)	- 3 000 (38)	4 000 (54)	2 000 (43)	1 000 (71)	51 (26)	13 (49)
Northern Queensland	3 502 000 (13)	3 562 000 (13)	60 000 (19)	76 000 (19)	51 000 (15)	31 000 (27)	68 (11)	9 (23)
Kimberley	676 000 (16)	687 000 (17)	11 000 (23)	136 000 (21)	60 000 (16)	36 000 (15)	44 (6)	53 (10)
Pilbara-Gascoyne	381 000 (12)	379 000 (15)	- 2 000 (21)	102 000 (18)	70 000 (14)	50 000 (37)	69 (18)	69 (6)
Northern Western Australia	1 057 000 (11)	1 066 000 (12)	9 000 (17)	238 000 (14)	130 000 (11)	86 000 (23)	55 (7)	59 (7)
Alice Springs District	221 000 (16)	266 000 (31)	45 000 (44)	2 000 (95)	ns	ns	ns	4 (98)
Barkly -Tennant Creek	671 000 (10)	666 000 (11)	- 5 000 (15)	70 000 (21)	49 000 (17)	45 000 (34)	70 (3)	37 (26)
Victoria River District-Katherine	980 000 (28)	1 016 000 (27)	36 000 (38)	166 000 (33)	111 000 (26)	106 000 (35)	67 (12)	67 (9)
Top End-Roper-Gulf	116 000 (7)	129 000 (9)	14 000 (12)	45 000 (24)	31 000 (19)	6 000 (28)	69 (18)	81 (4)
Northern Territory	1 988 000 (14)	2 078 000 (14)	90 000 (20)	283 000 (20)	193 000 (16)	157 000 (26)	68 (7)	51 (11)
Northern Australia	6 547 000 (8)	6 706 000 (9)	159 000 (12)	596 000 (11)	375 000 (9)	274 000 (17)	63 (5)	33 (10)

a Export of live cattle to Indonesia for the purpose of slaughter. b At time of survey 24 June to 1 July 2011.

ns Not supplied due to small sample. Figures in parentheses are standard errors expressed as a percentage of the estimate provided.

Source: ABARES Survey of northern live cattle export regions June 2011

3 Composition of turnoff, farm businesses with greater than 100 beef cattle in northern live cattle export regions

	Live export to Indonesia for the purpose of slaughter				Live export to other markets		Direct to domestic slaughter		Feedlots or for backgrounding				Stores or breeders				
	Intended		Remaining ^a	Intended		Remaining ^a	Intended		Remaining ^a	Intended		Remaining ^a	Intended		Remaining ^a		
	no.		no.	no.		no.		no.		no.		no.		no.			
Cape York and Gulf of Carpentaria	17 000	(37)	11 000	0		0		19 000	(38)	4 000		1 000	(95)		32 000	(49)	18 000
Western north Queensland	7 000	(87)	7 000	0		0		122 000	(57)	44 000		33 000	(58)	15 000	28 000	(50)	16 000
Central north Queensland	48 000	(24)	32 000	5000	(80)	ns		197 000	(11)	61 000		106 000	(64)	39 000	46 000	(23)	19 000
Eastern north Queensland	4 000	(54)	2 000	0		0		24 000	(13)	15 000		ns		ns	2 000	(58)	1 000
Northern Queensland	76 000	(19)	51 000	6000	(78)			363 000	(20)	125 000		140 000	(50)	52 000	107 000	(22)	54 000
Kimberley	136 000	(21)	60 000	7000	(36)	5 000		43 000	(55)	19 000		6 000	(87)	6 000	18 000	(36)	16 000
Pilbara-Gascoyne	102 000	(18)	70 000	3000	(41)	1 000		28 000	(21)	19 000		9 000	(43)	3 000	2 000	(25)	2 000
Northern Western Australia	238 000	(14)	130 000	10000	(28)	6 000		71 000	(34)	38 000		15 000	(44)	9 000	20 000	(33)	17 000
Alice Springs District	2 000	(95)	ns	0				40 000	(26)	12 000		7 000	(39)	1 000	3 000	(64)	2 000
Barkly -Tennant Creek	70 000	(21)	49 000	1000	(28)	1 000		27 000	(36)	17 000		1 000	(34)	ns	31 000	(21)	5 000
Victoria River District-Katherine	166 000	(33)	111 000	1000	(37)	ns		51 000	(34)	32 000		4 000	(80)	2 000	10 000	(26)	5 000
Top End-Roper-Gulf	45 000	(24)	31 000	ns		ns		9 000	(6)	7 000		1 000	(73)	ns	ns		ns
Northern Territory	283 000	(20)	194 000	2000	(23)	1 000		127 000	(18)	67 000		12 000	(34)	2 000	44 000	(17)	10 000
Northern Australia	597 000	(13)	375 000	18000	(38)	6 000		561 000	(9)	231 000		167 000	(43)	64 000	171 000	(12)	82 000

^a At time of survey 24 June to 1 July 2011. Figures in parentheses are standard errors expressed as a percentage of the estimate provided.

ns Not supplied due to insufficient sample to provide a reliable estimate. Source: ABARES Survey of northern live cattle export regions June 2011

3 *continued* **Composition of turnoff, farm businesses with greater than 100 beef cattle in northern live cattle export regions**

	Transfer to other properties		Total turnoff		Businesses involved in export of live cattle to Indonesia for the purpose of slaughter in 2011							
	Intended	Remaining ^a	Intended	Remaining ^a	Intending to export cattle		Exported cattle to date ^a		Export cattle remaining on hand ^a			
	no.	no.	no.	no.	%		%		%			
Cape York and Gulf of Carpentaria	40 000	(36)	40 000	109 000	(10)	73 000	41	(30)	31	(39)	41	(30)
Western north Queensland	119 000	(34)	97 000	309 000	(30)	179 000	10	(80)	0		10	(80)
Central north Queensland	14 000	(59)	14 000	416 000	(18)	165 000	46	(37)	30	(64)	45	(37)
Eastern north Queensland	ns		ns	30 000	(13)	18 000	20	(56)	23	(61)	20	(55)
Northern Queensland	174 000	(25)	152 000	865 000	(14)	435 000	34	(28)	23	(46)	33	(29)
Kimberley	45 000	(36)	14 000	256 000	(21)	120 000	96	(4)	84	(7)	96	(4)
Pilbara-Gascoyne	3 000	(83)	2 000	147 000	(14)	97 000	87	(8)	35	(31)	84	(8)
Northern Western Australia	48 000	(34)	16 000	402 000	(14)	217 000	90	(5)	50	(16)	87	(6)
Alice Springs District	10 000	(121)	5 000	62 000	(33)	21 000	4	(95)	4	(95)	4	(95)
Barkly -Tennant Creek	61 000	(50)	18 000	190 000	(13)	90 000	84	(7)	50	(12)	78	(8)
Victoria River District-Katherine	16 000	(24)	15 000	248 000	(27)	165 000	100	(1)	88	(11)	100	(1)
Top End-Roper-Gulf	1 000	(82)	1 000	56 000	(20)	38 000	96	(1)	76	(16)	88	(8)
Northern Territory	88 000	(37)	39 000	556 000	(14)	314 000	74	(2)	61	(8)	72	(2)
Northern Australia	309 000	(24)	207 000	1 823 000	(8)	965 000	45	(16)	31	(27)	45	(16)

^a At time of survey 24 June to 1 July 2011. Figures in parentheses are standard errors expressed as a percentage of the estimate provided.

ns Not supplied due to insufficient sample to provide a reliable estimate. Source: ABARES Survey of northern live cattle export regions June 2011

4 Distribution of farm businesses by number of cattle intended for live export to indonesia in 2011^a

businesses with greater than 100 beef cattle at 30 June 2011 in northern live cattle export regions

	Number of farm businesses	Share of farm businesses	Cattle intended for export to Indonesia ^{aa}	Share of intended live cattle exports to Indonesia ^{aa}
	no.	%	no.	%
Businesses with no cattle intended for live export to Indonesia	799 (13)	55		
Distribution of businesses with cattle intended for live export to Indonesia^{aa}:				
Greater than 0 and less than 200 head	346 (30)	24	31 000 (20)	5
200 to less than 400 head	61 (31)	4	18 000 (6)	3
400 to less than 1000 head	107 (22)	7	64 000 (7)	11
1000 to less than 2000 head	69 (22)	5	96 000 (2)	16
2000 to less than 4000 head	52 (23)	4	183 000 (3)	31
Greater than 4000 head	26 (22)	2	203 000 (2)	34
Total live cattle exporters	660	45	596 000 (12)	100
Distribution of businesses by ownership type:				
Corporate businesses ^b	62 (25)	9	177 000 (95)	30
Family businesses ^c	598 (16)	91	419 000 (16)	70
All farms in northern live export region	1 459	100		

^a Export of live cattle to Indonesia for the purpose of slaughter. ^b Public companies, large private companies and indigenous corporations. ^c Family farms, partnerships and small private companies..

Figures in parentheses are standard errors expressed as a percentage of the estimate provided.

Source: ABARES Survey of northern live cattle export regions June 2011

Cattle numbers

Between 1 July 2010 and 30 June 2011 beef cattle numbers are estimated to have increased by around 2.4 per cent in northern live cattle export regions to 6.7 million head (table 2).

In total, farm businesses intended to turnoff for all purposes an estimated 1.8 million cattle in 2011 (table 3). Around, 53 per cent of these cattle remained on properties at the time of interview. Many farm businesses across the northern live export region indicated that movement of cattle to sale or to properties in other regions had been delayed relative to that achieved in recent years due to wet conditions resulting from cyclones in early 2011. This was particularly the case in the, Victoria River District-Katherine, Top End-Roper-Gulf, Pilbara-Gascoyne, Cape York and the Gulf of Carpentaria regions where over 60 per cent of intended turnoff remained on properties at the time of interview .

Intended markets

According to the survey, farm businesses intended to export an estimated 596 000 head of cattle to the live export market of Indonesia or 33 per cent of total intended beef cattle turnoff in northern live cattle export regions in 2011 (table2).

The number of cattle intended for live export to Indonesia estimated by the survey is above the total number exported from northern Australia in 2009-10, but is relatively similar to the average number exported to Indonesia for the 5 years prior to 2009-10 (around 615 000 head), before Indonesia imposed a limit on import permits and enforced weight restrictions.

At the date of survey, around 61 per cent of cattle intended for live export to Indonesia, or 365 000 head, remained unsold. Of these, 274 000 head were ready for the Indonesian market with 57 per cent of these cattle located in the Northern Territory.

A detailed breakdown of intended markets and cattle turn-off to the time of the survey is provided in table 3.

Concentration of production

Regions with the highest proportion of cattle turnoff intended for live export to Indonesia were Top End-Roper-Gulf (81 per cent of turnoff), Pilbara-Gascoyne (69 per cent of turnoff), Victoria River District-Katherine (67 per cent of turnoff) and Kimberley (53 per cent), according to the survey (table 2).

The majority of intended live cattle exports to Indonesia are concentrated among larger farm businesses. Around 65 per cent of intended exports to Indonesia are from just 6 per cent of farm businesses in northern live export regions (around 78 businesses) who each intended selling more than 2000 head of cattle in 2011 (table 4). In contrast, around 24 per cent of farm businesses in northern live cattle export regions sold between 1 and 200 head of cattle for live export to Indonesia and accounted for just 5 per cent of intended exports.

Estimates from the survey also indicate that family businesses (family farms, partnerships and small private companies) accounted for around 70 per cent of cattle intended for live cattle export to Indonesia in 2011 (table 4). Corporate farm businesses (public companies, large private companies

and indigenous corporations) account for only 9 per cent of farm businesses, but accounted for 30 per cent of intended live cattle export to Indonesia in 2011.

Cattle ready for export

An estimated 274 000 cattle were ready for live export to Indonesia at the time the survey was conducted (table 5) spread between some 363 farm businesses (table 2). According to the survey around, 64 per cent of these cattle would still meet Indonesian live export weight specifications if they were retained on properties until the end of July 2011 (table 5).

The proportion of cattle that would still meet Indonesian live export weight specifications if they were retained on properties until the end of July 2011 was not significantly different across the regions (slightly lower in Queensland).

5 Beef cattle ready for Indonesian live export market

	Cattle ready for live export to Indonesia ^a	Cattle expected to still meet Indonesian live export specifications at end of July ^b
	no.	no.
Cape York and Gulf of Carpentaria	5 000 (56)	4 000 (68)
Western north Queensland	5 000 (93)	2 000 (112)
Central north Queensland	20 000 (30)	11 000 (36)
Eastern north Queensland	1 000 (71)	200 (85)
Northern Queensland	31 000 (27)	18 000 (32)
Kimberley	36 000 (15)	25 000 (18)
Pilbara-Gascoyne	50 000 (37)	31 000 (45)
Northern Western Australia	86 000 (23)	56 000 (27)
Alice Springs District	1 000 (95)	ns
Barkly - Tennant Creek	45 000 (34)	16 000 (41)
Victoria River District-Katherine	106 000 (35)	83 000 (42)
Top End-Roper-Gulf	6 000 (28)	4 000 (33)
Northern Territory	157 000 (26)	103 000 (31)
Northern Australian Live Cattle Export Region	274 000 (17)	177 000 (20)

a At time of survey 24 June to 1 July 2011. b In particular, not exceed 350 kilograms liveweight. due to

ns Not supplied insufficient sample to provide reliable estimate. provided.

Figures in parentheses are standard errors expressed as a percentage of the estimate

Source: ABARES Survey of northern live cattle export regions June 2011

Ports for cattle ready for Indonesian market

According to the survey, an estimated 61 per cent of the cattle ready for export in late June 2011 were to be exported via the port of Darwin (table 6)

6 Ports for cattle ready for Indonesian market^a

Karumba	no.	3 000	(60)
Townsville	no.	16 000	(38)
Weipa	no.	300	(79)
Mourilyan (Innisfail)	no.	100	(48)
Broome	no.	33 000	(15)
Fremantle	no.	3 000	(41)
Geraldton	no.	13 000	(39)
Port Headland	no.	27 000	(72)
Wyndham	no.	12 000	(41)
Darwin	no.	167 000	(24)
Total	no.	274 000	(17)

^a At time of survey 24 June to 1 July 2011. Figures in parentheses are standard errors expressed as a percentage of the estimate.

Source: ABARES Survey of northern live cattle export regions June 2011

7 Farm businesses seeking alternative markets for cattle intended for live export to Indonesia^a, businesses with cattle intended for live export remaining unsold

Percentage of businesses

		North Queensland	Northern Western Australia	Northern Territory	Northern Australia
Properties with cattle ready to go to the Indonesia market	%	33 (11)	77 (11)	96 (2)	56 (5)
Farm businesses with cattle already mustered to go to the Indonesian market	%	19 (28)	39 (24)	81 (5)	35 (11)
Farms actively seeking alternative markets for live export cattle ^a	%	18 (34)	53 (17)	43 (35)	32 (16)
Markets under consideration:					
Live export to other South East Asian markets	%	47 (11)	37 (15)	21 (37)	36 (9)
Live export to other live export markets e.g. Middle East	%	9 (42)	21 (8)	10 (57)	14 (10)
Direct to domestic slaughter	%	13 (41)	10 (32)	15 (18)	12 (20)
Feedlots or backgrounding	%	16 (40)	16 (25)	41 (10)	23 (17)
Stores and breeders	%	13 (32)	7 (35)	10 (51)	10 (22)
Transfer to other properties	%	2 (93)	9 (24)	4 (55)	5 (22)

Figures in parentheses are standard errors expressed as a percentage of the estimate provided.

^a At time of survey 24 June to 1 July 2011.

Consideration of alternative markets

Only 32 per cent of farms with cattle remaining on-hand and intended for live export to Indonesia were actively seeking alternative markets for these cattle at the time of the survey (table 7). At this time, the majority of these producers were not prepared to contemplate a long suspension of the Indonesian trade and the consequences that would have on business cash flow.

Only around 18 per cent of north Queensland businesses with unsold cattle were actively seeking alternative markets, of these 47 per cent were considering export of live cattle to other South East Asian markets.

The proportion of northern Western Australian farm businesses seeking alternative markets was much higher, at 53 per cent. Around 37 per cent of these farm businesses were also considering other South East Asian markets and around 21 per cent were considering other live export markets, for example in the Middle East.

Around, 43 per cent of Northern Territory farm businesses were seeking alternative markets and 41 per cent of these were considering selling cattle to feedlots or backgrounders and a further 21 per cent were considering other live export markets in South East Asia (table 7).

8 Feed or agistment required if unsold live export cattle retained on properties

	Number of cattle requiring additional feed or agistment if retained ^a	Months before feed or agistment needed
	no.	no.
Cape York and Gulf of Carpentaria	8 000 (24)	3.8 (22)
Western north Queensland	ns	ns
Central north Queensland	20 000 (43)	4.5 (46)
Eastern north Queensland	1 000 (99)	3.7 (14)
Northern Queensland	33 000 (15)	4.3 (25)
Kimberley	23 000 (35)	2.0 (47)
Pilbara-Gascoyne	16 000 (25)	3.3 (11)
Northern Western Australia	38 000 (11)	2.6 (20)
Alice Springs District	ns	ns
Barkly -Tennant Creek	23 000 (10)	2.5 (3)
Victoria River District-Katherine	67 000 (45)	3.0 (20)
Top End-Roper-Gulf	13 000 (23)	1.1 (3)
Northern Territory	104 000 (16)	2.8 (17)
Northern Australian Live Cattle Export Region	176 000 (9)	3.6 (17)

Figures in parentheses are standard errors expressed as a percentage of the estimate.

^a At time of survey 28 June to 1 July 2011.

ns Not supplied due to insufficient sample to provide a reliable estimate.

Source: ABARES Survey of northern live cattle export regions June 2011

Feed requirements

An estimated 176 000 head of cattle would require additional feed or agistment if retained on properties, according to the survey. The average period of time before this feed would be required varied from 1.1 months for the Top End-Roper-Gulf area of the Northern Territory to 4.5 months in Central North Queensland (table 8).

Employment

Around, 326 employees are estimated to have been either laid-off or not hired by farm businesses between the commencement of the trade suspension on 8 June 2011 and the end of June 2011. The majority of these staff reductions were reported to be in the Northern Territory (table 9).

A number of farm business also reported reducing engagement of contractors including contract musters.

9 Employees laid-off or not hired, 8 June 2011 to 1 July 2011

	no.	
Cape York and Gulf of Carpentaria	17	(67)
Western north Queensland	ns	
Central north Queensland	0	
Eastern north Queensland	47	(103)
Northern Queensland	64	(77)
Kimberley	31	(37)
Pilbara-Gascoyne	68	(41)
Northern Western Australia	99	(30)
Alice Springs District	ns	
Barkly - Tennant Creek	70	(44)
Victoria River District-Katherine	82	(52)
Top End-Roper-Gulf	9	(71)
Northern Territory	162	(33)
Northern Australian Live Cattle Export Region	326	(24)

Figures in parentheses are standard errors expressed as a percentage of the estimate.

ns Not supplied due to insufficient sample to provide a reliable estimate.

Source: ABARES Survey of northern live cattle export regions June 2011

Changes made to farm business management between 8 June and 1 July in response to trade suspension

Around 46 per cent of farm businesses in northern Australia with cattle remaining for export to Indonesia made changes to business management between 8 June and 1 July in response to the suspension of trade (table 10). The proportion of farm businesses making changes was highest in northern Western Australia (83 per cent).

Overall, around 40 per cent of farm businesses deferred non-essential expenditure on capital, plant, infrastructure and repairs. Around 36 per cent of farm businesses changed or delayed mustering plans (76 per cent in northern Western Australia) and 25 per cent returned cattle to mustered areas

(54 per cent in the Northern Territory). Overall, staff numbers were reduced by 14 per cent of farm businesses overall, by 35 per cent of farm businesses in the Northern Territory and by 26 per cent of businesses in northern Western Australia.

Loan payments were deferred by 6 per cent of farm businesses and by 11 per cent of businesses in northern Western Australia.

Short term constraints to managing the trade suspension

Uncertainty about the duration of the suspension was reported by 75 per cent of farm businesses to be the most important short-term constraint to managing the trade suspension (table 11).

Finance and cash flow were, also, both reported as major constraints with 58 per cent of businesses with cattle remaining for live export to Indonesia reporting insufficient cash flow and 47 per cent the availability of finance. A higher proportion of farms reported cash flow and finance as constraints in northern Western Australia and the Northern Territory.

Around, 52 per cent of farm businesses indicated that they were constrained by insufficient information on alternative markets.

Availability of feed was a constraint for 40 per cent of farm businesses overall and by 67 per cent of farm businesses in the Northern Territory. Water availability was listed as a constraint by around 26 per cent of farm businesses in both the Kimberly and Pilbara-Gascoyne regions of northern Western Australia.

Around, 29 per cent of farm businesses reported availability of livestock transport to be a constraint, with the highest proportion reported for the Cape York and Gulf of Carpentaria region (72 per cent of businesses).

Expected changes to management if the suspension continued beyond the end of July

A high proportion of farm businesses with cattle remaining for export to Indonesia indicated a need to make substantial management changes in the event that the trade suspension remained in place beyond the end of July.

The number of farm businesses indicating change would be required was generally higher northern Western Australia and the Northern Territory compared to north Queensland (table 12), although the proportion was also high in the Cape York and Gulf of Carpentaria region.

A high proportion of farm businesses anticipated they would need to find alternative markets for cattle (74 per cent) with most indicating that they would probably be forced to sell into lower priced markets in order to generate cash flow and reduce stocking rates.

Respondents also indicated that they would reduce non essential expenditure on capital and repairs (68 per cent), change mustering plans (65 per cent), increase stocking rates (61 per cent) and adjust herd management to account for retention of unsold stock (54 per cent). Around one third of respondents indicated that they may need to address land degradation issues arising from overgrazing.

Around, 9 per cent of survey respondents in the Pilbara-Gascoyne region of Western Australia indicated that they would seek off-farm employment, particularly in mining.

Among the “other” changes indicated by businesses, around 5 per cent of businesses indicated that they would be unlikely to continue to operate beyond a few months if the suspension continued due existing high debt levels, reduced cash flow and the assumed effects of a prolonged suspension on land values and farm business equity. Many of these businesses operated relatively small herds and were mainly located in the Pilbara-Gascoyne, Kimberly and Cape York and Gulf of Carpentaria regions.

10 Changes made to management in response to trade suspension, farm businesses with cattle remaining for export to Indonesia a

Percentage of businesses

		North Queensland	Northern Western Australia	Northern Territory	Northern Australia
Producers that made changes to management between 8 June 2011 and 1 July 2011 as a result of the trade suspension	%	26 (29)	83 (7)	59 (25)	46 (12)
Changed or delayed mustering plans	%	14 (46)	76 (9)	48 (31)	36 (14)
Returned cattle to mustered areas	%	15 (44)	24 (28)	54 (27)	25 (20)
Adjusted stocking rates	%	5 (72)	23 (41)	17 (65)	11 (32)
Reduced employees	%	2 (62)	26 (34)	35 (34)	14 (23)
Deferred expenditure on capital, plant and infrastructure or repairs	%	23 (32)	80 (8)	37 (35)	40 (13)
Deferred loan payments	%	4 (103)	11 (49)	3 (38)	6 (50)
Sought alternative sources of feed or agistment	%	5 (70)	5 (61)	6 (54)	5 (42)
Increased reliance on other business activities eg goat harvesting	%	0 .	17 (49)	0 .	4 (49)
Increase restocking	%	0 .	12 (75)	2 (48)	3 (67)
Sought off-farm employment	%	0 .	13 (64)	0 .	3 (64)
Transferred cattle interstate	%	0 .	1 (55)	1 (86)	0 (50)
Sought additional short term finance	%	0 .	7 (58)	0 .	2 (58)
Other changes already made to management	%	3 (62)	5 (19)	5 (37)	4 (29)
Number of employees laid-off or not hired (total)	no.	64 (77)	99 (30)	162 (33)	326 (24)

a Export of live cattle to Indonesia for the purpose of slaughter. provided.

Figures in parentheses are standard errors expressed as a percentage of the estimate

11 Short term constraints to managing the trade suspension, for businesses with cattle remaining for export to Indonesia

Percentage of businesses

		North Queensland	Northern Western Australia	Northern Territory	Northern Australia
Not knowing how long the suspension would last	%	57 (47)	100 (0)	96 (2)	75 (20)
Insufficient information on alternative markets	%	43 (64)	59 (14)	72 (10)	52 (30)
Lack of available livestock transport	%	27 (101)	24 (30)	42 (36)	29 (54)
Availability of staff / helicopters / contractors for mustering	%	27 (98)	17 (38)	20 (51)	24 (66)
Availability of water	%	7 (63)	26 (34)	2 (38)	11 (31)
Insufficient cash flow	%	43 (63)	80 (9)	78 (12)	58 (27)
Availability of finance	%	35 (79)	55 (17)	72 (14)	47 (34)
Other constraints	%	7 (52)	4 (57)	17 (59)	8 (35)
Businesses requiring additional feed or agistment for retained stock	%	39 (71)	20 (31)	67 (14)	40 (40)
Months before additional sources of feed or agistment will be required	no.	4.3 (25)	2.6 (20)	2.8 (17)	3.6 (17)

Figures in parentheses are standard errors expressed as a percentage of the estimate provided.

12 Changes required if trade suspension extended beyond end of July, for businesses with cattle remaining for export to Indonesia

Percentage of businesses

		North Queensland	Northern Western Australia	Northern Territory	Northern Australia
Re-muster some areas	%	35 (78)	55 (17)	86 (5)	49 (32)
Change mustering plans	%	50 (54)	82 (11)	89 (4)	65 (24)
Find alternative markets	%	61 (43)	94 (3)	88 (5)	74 (20)
Increase stocking rate	%	47 (57)	81 (8)	75 (13)	61 (26)
Adjust herd management	%	41 (66)	73 (12)	70 (17)	54 (29)
Reduce staff	%	26 (104)	54 (17)	66 (23)	40 (39)
Reduce expenditure on capital, plant and infrastructure or repairs	%	51 (53)	95 (2)	86 (12)	68 (23)
Arrange additional finance or renegotiate loans	%	22 (34)	56 (17)	61 (20)	38 (14)
Need to address land degradation Issues arising from overgrazing	%	23 (95)	47 (20)	28 (21)	33 (47)
Increase off-farm income	%	0 .	7 (97)	0 .	1 (97)
Other medium term changes	%	7 (69)	14 (29)	12 (23)	10 (31)
Business unlikely to continue to operate	%	3 (57)	9 (62)	4 (47)	5 (37)

Figures in parentheses are standard errors expressed as a percentage of the estimate provided.

Further information

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Annex 9. AQIS Reform Agenda – Project 2

AQIS Reform Agenda

Project 2 – Regulatory Reform

Introduction

Following agreement by the Australian Government and the livestock export industry to progress a reform agenda addressing the regulatory burden on the industry, a number of projects dealing with specific issues were agreed. This paper reflects initial considerations in relation to Project 2 – Regulatory Reform, which has the following objectives:

1. To identify improvements to the current AQIS legislation, regulations and resources in relation to live exports including compliance, ASEL standards, regulatory burdens, regulatory requirements, licensing, audits, registered premises and incident investigations.
2. To better align resources of the live export supply chain to deliver efficiencies including roles and responsibilities.

The purpose of this document is to:

- ‘Set the scene’ for progressing this project.
- Identify existing considerations of this issue.
- Summarise feedback collected from industry participants so far.
- Stimulate consideration of the issues and next steps.

Background

A number of Government reviews have considered various aspects of the regulatory burden on the livestock export industry. In recent years, two reviews are of relevance.

1. Productivity Commission – First Annual Review of Regulatory Burdens on Business (2007)

From this review, there were a number of ‘whole of industry’ agreed statements:

- The Livestock Export sector expects and supports appropriate levels of regulation. Regulations and standards come at a cost for which there is an expectation, a net benefit to industry participants must be an outcome.
- Regulations of all types warrant ongoing critical review especially in the face of fast changing circumstances.
- The “total weight” of regulation is a compounding and serious issue that needs to be revised. Analysis of cost/benefits is pivotal to the principals of a good/regulatory process.

2. One Biosecurity: A Working Partnership (The Beale Report)

The Beale Report addressed the whole Australian Biosecurity System, but included two recommendations relevant to this Reform process, summarised below:

Rec 55. Export approval processes to be simplified, with paperwork and compliance costs reduced.

Rec 75. Electronic submission of documents and Exporter's prior history acknowledged.

In the livestock export industry response to the Beale Report, the key issues in response to the Beale recommendations were:

- The allocation of resources should be based on the degree of risk (recognising repeat business, prior history, etc).
- Systems should be established to increase AQIS accountability and transparency.
- Audits and inspections should be based on consignment outcomes (especially animal welfare) and not just process and paperwork.
- Efforts should be made to increase efficiency and reduce the cost of compliance.
- That science drives risk assessment.
- Improved communications between AQIS / BA and industry and States is desperately needed.

Previous consideration by industry of the Beale recommendations and opportunities for reform identified the following specific issues that could be addressed as part of the reform process:

1. Export licenses – criteria amended and term of license extended to 5 years.
2. AQIS Accredited Veterinarian program (A.A.V.s) – similar terms as license.
3. NOIs / CRMPs – need to be simplified. Addressed in project 1.
4. SLEVOs – better allocation of responsibilities and decision making.
5. Audits – only necessary when an exporter, premises or veterinarian has been a problem and improved risk management would appear apparent.
6. Notifiable incidents – re-rate the depth of investigation and an independent technical group to evaluate and make recommendations.
7. Pre-Export inspections – reform the inspection process to minimise the stress on animals.

Regulatory Issues Identified by Exporters that Need Addressing

An initial stage of this project was to ask all exporters to identify issues that could be addressed as part of the regulatory reform process. From the list of issues identified, desired outcomes have been drawn out, below. The purpose of presenting these desired outcomes rather than the issues themselves, is to

explain what industry is hoping to achieve from this process. It will be left to government to determine what this will require in terms of legislative and regulatory change.

Outcomes desired by industry from regulatory / legislative change:

1. More efficient processes for the submission and processing of NOI / CRMPs.
2. Clear definition of the roles and responsibilities of AQIS staff, including increased authority given to AQIS State Officers to resolve operational issues in the field rather than having to relay all decisions to LAE Canberra.
3. Clear delineation of responsibilities between parties involved with live export certification, including AQIS staff, AAVs and AMSA.
4. Recognition by AQIS of 'good export outcomes'.
5. Recognition by AQIS of exporters who demonstrate an understanding of their responsibilities / obligations under their license conditions.
6. Reduced cost of AQIS certification.
7. Appeal processes in place to challenge AQIS rulings.
8. Improved efficiency of the licensing process for exporters, registered premises and AAVs.
9. Clear articulation of the decision making processes within AQIS.
10. Acceptance by AQIS that regulation must be workable within industry practice and industry is best to advise how this might be achieved.
11. An audit system that focuses on outcomes and resolving problems, delivering benefits to industry.
12. A shared understanding of relevant legislation and regulations.
13. A single repository for all relevant regulations, standards and EANs.
14. All members of the live export supply chain are responsible for delivering good animal welfare.
15. A clearly defined mechanism to address reportable incidents that focuses on remedial, not punitive, action.

In addition, there have been a number of regulatory changes identified in other projects under the AQIS Reform Agenda. These include:

- Revising the Export Control Order 2004 to update the description of an NOI and CRMP to recognise that a NOI is an initial notice of intention to export and the full NOI / CRMP will be completed over a period of time. The actual information required also needs to be reviewed.
- The AMLI Act currently refers to the Australian **Code** for the Export of livestock (not ASEL).
- Sections 68 A – D of the AMLI Act requires reporting to Parliament in relation to funding agreements and tabling of annual reports. This pertains only to live exports and appears discriminatory.

- AMLI Regulations 1998 No. 202 needs to be re-written as it refers to LEAP, industry driven QA, Minister Anderson and historical data.
- AMLI (Export Licensing) Regulations 1998 Part 3 needs revision to address:
 - Contradictions, such as (4) (b) requiring criminal history check from the AFP but then 20 (2) (b) identifies it as an offence for an exporter not to inform the secretary if they have been convicted of an offence.
 - 13(a) refers to the ASEL published in 2004 – this is out of date.
 - 15 refers to licensing fees inconsistent with what is currently being charged.
 - 16(1) (g) and (i) are impossible to verify.
 - 18(2) and 19(b) refer to licenses granted before December 2004.

Proposed changes to ASEL

Industry has undertaken a review of the current ASEL and identified numerous opportunities for improvement. These will be progressed by the industry representatives on the Live Export Standards Advisory Group.

Industry believes that research and development needs to be targeted to address specific issues before a change in management practice or standard should be considered. In this regard, further reviews of ASEL should be targeted to address a specific concern rather than a broad review of ASEL.

Nevertheless, there is opportunity for further improvement of ASEL standards content, implementation and enforcement. These suggestions for improvement are as follows.

Repetition

Although the arrangement of the standards in a 'whole chain approach' seemed logical, it has led to a degree of repetition which is notably one of the main criticisms of the current ASEL. For example, rejection criteria, humane killing etc should be referenced once and applied across all stages of ASEL.

Some areas are not verifiable

Some of the standards are not verifiable as written and would be better expressed in terms of outcomes. For example, S 2.22 refers to livestock being unloaded at registered premises by competent stock handlers etc.

Some areas are vague

Some of the standards are vague. For Example S 2.24 makes the statement that all relevant standards for land transport to arrival at the registered premises must also be applied to transport to the wharf, without specifying which ones should apply.

Process for the revision of standards

While there is an opportunity to further enhance ASEL there is also scope to enhance the process by which new knowledge or changed circumstances can be incorporated into the ASEL.

Annex 10. Hansard 8th July 2011

Friday, 8 July 2011 Senate Pages 48 -52 RURAL AFFAIRS AND TRANSPORT REFERENCES COMMITTEE

MacKINNON, Mr John Lachlan, Chief Executive Officer, Australian Livestock Exporters Council

WINTER, Mr Edmund Simon, Project Manager, Australian Livestock Exporters Council
[13:30]

CHAIR: Welcome. I invite you to make an opening statement.

Mr MacKinnon: Firstly, our chairman, Mr Peter Kane, is attending a funeral today and sends his apologies for not being here. ALEC represents not only those who export livestock from Australia, but also those who export companion animals, horses and reproductive materials. We have been working closely with them over the period of the AQIS reform agenda. We appreciate immensely the work that AQIS has done thus far and their collaborative approach through this whole reform agenda. We have been working with them for nearly two years and it has been a collaborative approach. We were looking for big cost savings through a paperless system. As you know, we are still on a paper based system whereby we submit forms via fax as opposed to submitting them via e-commerce on the internet. That automated system was going to be a big cost saving, and the first phase of that has just been released. With regard to funding models and the like, we accept the funding model and we are generally supportive of the approach being taken by AQIS in relation to rewarding export performance, hence industry requests that AQIS works collaboratively with the livestock sector, the reproductive material sector, the horse sector and the companion animals sector to progress the development of a new cost recovery model as a matter of urgency to help minimise the severe impacts of the removal of the 40 per cent subsidy—and I would like to make the point that it is actually a 60 per cent subsidy.

Senator COLBECK: My recollection is that, 18 months ago, you were looking at the development of a new IT system that would basically provide you with more efficient processing. How is that process going?

Mr MacKinnon: It was supposed to be rolled out on 1 July—

Senator COLBECK: But other things have intervened!

Mr MacKinnon: Yes, it was held back—for whatever reason!

Senator COLBECK: So it will be rolled out on 1 August?

Mr MacKinnon: I hope so. The system was supposed to come out on 1 July but it did not. What the industry was looking for was just like online banking; we were looking for the same type of system. I do not know if this new system will deliver that. In its current format it is fairly basic, but this is phase 1 of two phases. I will ask Simon to tell you about the details.

Senator COLBECK: Thank you, and can you give us an indication of the impediments to achieving the outcome you are looking for.

Mr Winter: Thank you, Senator. Your first statement was correct, that that was the major initiative that we were looking to progress. The majority of the budget was dedicated to it—\$1.2 million out

of \$1.76 million was dedicated to that project. The industry went through a very broad collaborative process to identify what industry's requirements were for this system, and that was delivered to AQIS in November of last year. AQIS started work on that in the last few months; they had other priorities with their IT systems, namely the audit management system. They have built what they have called a 'phase 1', which launched last Monday on 4 July, and that deals with the first part of the process only. It is a pretty rudimentary start but it is a start. That is in place and has bought time for them to develop phase 2, which is a complete rebuild of the whole system. They continue to assure us that it will deliver industry's requirements—we have documented and delivered those to them—and we are yet to see the outcome of that.

Senator COLBECK: Do you have a time frame around that next phase?

Mr Winter: We have been told it is in the coming months.

Senator COLBECK: Okay. And what sort of efficiencies has that provided so far? Or have you not had a really good chance to see what it might achieve for you?

Mr MacKinnon: I think the second part of that question was probably the best way of putting it, Senator. We have not yet had a chance to see what it can deliver, just because of the time frames thus far.

Mr Winter: AQIS have indicated that it should save somewhere between two and seven FTEs, though that number varies depending on how you look at it. Those are the sorts of numbers that have been given to us.

Senator COLBECK: So does the saving of between two and seven FTEs get reflected down the line, including in the overhead cost apportioned to you guys? Or is that apportioned percentage fixed? Or is that a good question?

Mr MacKinnon: That is an exceedingly good question. I could not answer, I am afraid, Senator.

Senator COLBECK: Okay. I am sure someone is listening to us.

Mr MacKinnon: Would it be okay if I quickly went through some figures for you?

Senator COLBECK: Absolutely.

Mr MacKinnon: I will give you a couple of quick figures that industry have done that we have extracted out of the figures that AQIS have given us. It gives an indication of where the fee is at and where it is going towards.

Senator COLBECK: So this is in effect efficiency and offset for the removal of 40 per cent?

Mr MacKinnon: The figures I am about to tell you do not include the 66 per cent increase as of 1 July. These are purely based on—

Mr Winter: Historical data.

Mr MacKinnon: —historical data.

Senator COLBECK: So the 66 per cent increase is the removal of the 40 per cent plus indexation?

Mr MacKinnon: No, if you have \$100 worth of certification and you have a subsidy of 40 per cent it brings you back to \$60. To get from \$60 back to \$100 it has got to be an increase of 66 per cent.
Senator COLBECK: Okay.

Mr MacKinnon: So the figures I am about to tell you are purely based on that beforehand. Industry has undertaken analysis of historical financial data provided by AQIS. In summary, this analysis concluded: (1) from 2003-04 to 2010-11 the annual cost of the live animal export program has increased on average by 17 per cent; (2) for the same period the gross number of live exports have actually decreased by two per cent per annum; (3) in 2003-04 the cost of certification on average was 31c per head, regardless of whether it was sheep or cattle, and if a four per cent increase is added to this account for wage increases and CPI—ignoring reduction in productivity from reduced livestock being exported—the industry should have been charged an average of 46c per head, whereas in 2010-11 industry was actually charged \$1.06; 4) industry contends that the difference between what should be charged, which is 46c, and what has been charged, which is \$1.06, accounts for additional non-certification AQIS costs being a burden on industry. We recognise that these services are most likely necessary services to the general public, but they cannot be part of the industry cost base.

Senator COLBECK: The old chestnut.

Mr MacKinnon: The Beale review explicitly referred to the cost recovery only applying to certification costs. My last point is that, in the context of cost recovery only applying to export certification charges, industry does not agree with the exorbitant corporate charges being applied to export certification, which increased from \$758,000 in 2009-10 to \$1.95 million in 2010-11. Sorry if that was a bit boring and I would apologise.

Senator NASH: No, that was extremely useful. Did you say that figure was 46c?

Mr MacKinnon: In 2003-04, the costs of certification were an average of 31c per head, regardless of whether it was sheep or cattle. Obviously there are different charges but this is on average. If you had a four per cent annual increase for CPI wage increases and that kind of thing, it should have gone to about 46c per head. But in 2010-11 the industry was charged an average of \$1.06 per head.

Senator COLBECK: And then you apply 60 per cent on top of that.

Senator NASH: Okay. So am I correct as to that gap, that 50c there? So you are saying there are non-certification costs being passed on to you from the department that otherwise should not be?

Mr MacKinnon: That is where we stand.

Senator COLBECK: That is about \$1.15 million.

Mr Winter: If I could add to that, our understanding is that they just take the whole cost of the live animal export program within AQIS and divide the whole cost of that as full cost recovery.

Senator NASH: So can I take it that you are happy with the process, there has been reasonable consultation so that has all been fine and with the point of the process itself to get the efficiencies that is all fine. Your industry seems reasonably simple. The whole point was to be able to move to the new electronic world, which was going to provide a lot of benefit for you. So, compared to some of the other industries, yours is actually quite simple and straightforward. But the point of

contention would be the costs that you are still having to bear that you see as non-certification ones.

Mr MacKinnon: That would be a very good summation.

CHAIR: How much easier is it going to be for you guys now, after finally learning the very hard way, that you have agreed to MLIS tags for everything?

Mr MacKinnon: That is a very good point. I will answer that question in two seconds if you would not mind. That brings up the issue of regulatory reform and the issues around regulatory reform. One of our key issues was to introduce regulatory reform that was going to incur cost savings, which is what we believed was going to happen. So if you use MLIS as an example, at the moment in the territory and in Western Australia if they are going direct from property at birth they do not need that particular tag in their ear. In the west they have to have something that is a different tag, a traceability tag as it is called. Now, under the issues that we are facing in Indonesia, the Australian Livestock Exporters Council—just for the record—has said to exporters that no Australian cattle will leave Australia without an RFID tag in their ear. So I think that answers your question.

CHAIR: Scanning them is what we do all the time. Consider all those cattle that have been stolen out of the Great Southern cattle MIS that everyone knows about and that the person who stole them does not want to do anything about. So it means you would not be able to do that now.

Mr MacKinnon: I would hope so but I would not consider myself a stock inspector.

CHAIR: Are there any other questions? I am sorry that we have had to drag you all this way but I think this is pretty important.

Senator COLBECK: Let us go back to the legitimate cost to business. Have you had any conversations with the government around this and if so over what sort of time frame?

Mr MacKinnon: We have, not so much in regard to the time frame, but we have—and I will submit them for you today along with my scribbled notes here—some graphs explaining the layout of the difference between corporate overheads, government overheads and, in our opinion, the cost of certification. I have a copy of that here and I can give it to you.

Senator NASH: That would be fantastic. So that actually identifies for us those areas where you believe you should not be bearing the costs?

Mr MacKinnon: Exactly.

Senator NASH: Sensational, and thank you.

Mr MacKinnon: There is just one other thing that I would like to raise, if that is all right.

CHAIR: Please do so.

Mr MacKinnon: I can give you a hard copy of this, and this is for the record about a concern that has been put down. We acknowledge that obviously *Four Corners* has had a massive bearing on our industry, and we understand that. But it has been laid down before us that the concerns around animal welfare issues are going to play into what happens in regard to the AQIS reform agenda. We as an industry would argue that that should not be the case. AQIS reform and export

certification should be basically done on, for want of a better expression, biosecurity. We would argue that point. The second thing I would like to raise is that—

Senator COLBECK: You said it had been raised. Who has suggested that would play as part of the AQIS reform agenda?

Mr MacKinnon: When we have had ministerial taskforce, MTF, meetings and we have raised things like regulatory reform, for example, the response has been that in this particular case, because of the issues around animal welfare, realistic reform will be a slow process that we would be looking at engaging in at a further point in time.

Senator NASH: What was the second point?

Mr MacKinnon: Without sounding difficult, I would just like to raise the point that, with a 66 per cent increase in our cost of certification, currently, with the Australian dollar like it is and with sheep prices where they are, it is just a burden that we cannot really—

CHAIR: I was just going to raise that. We enacted the free trade agreement with, for instance, America in January 2005 and we signed up to it in August 2004. That was about the mean average then. Obviously the dollar has gone from 46 cents over recent periods to \$1.07 to \$1.09. We were at 67 cents when we agreed to it and 70 cents when we signed up to it. These costs are additional to the 60 per cent tariff disadvantage since we signed that agreement, because of the currency. The old tariff barriers to trade have now been well and truly overrun by the terms of trade with the dollar. You are at a serious disadvantage.

Mr MacKinnon: Simon is more of an economist than me and I would like him to comment about that. I would not consider myself an economist.

Mr Winter: I would not consider myself one either. But to add to what the senator has said, if you look at the OECD producer support estimates, Australian producers are the second least supported producers across all OECD countries. While we support free trade you have got to accept that it is not a level playing field we are dealing with in world markets. From that perspective, to add a 66 per cent increase of government cost burden to the industry is not an easy thing for the industry to absorb.

CHAIR: We know there is about a \$200 subsidy coming out of a feedlot in the US for export beef, plus a 60 per cent advantage in the currency since we signed up.

Senator COLBECK: Particularly when you have not received the efficiencies that we signed up for as part of the process. That was the expectation going into the process. That was all part of the deal. We are going to reform the way that this export fees and charges process works as a part of removal of the 40 per cent rebate, yet we have got to the end of the timeframe allocated for it and we have not actually finalised anything yet.

Mr MacKinnon: I would agree with that entirely.

Senator CASH: Would it have been preferable for there not to have been the 30 June end date by which the rebate came off, before the process was finalised? We were just discussing earlier the fact that we now have this interim period where all of the current arrangements stay in place. The rebate has gone and yet, as we have just been informed by the department, we still have no idea what the date is going to be for the implementation of the new system.

Mr MacKinnon: On a purely personal level, I would have to say that to have the massive cost increases that the industry I represent are going to have to absorb and to have no definitive time lines as to when these cost savings will be implemented—so, when the FTEs will be removed, for example, from our particular sector within AQIS—is obviously of concern. A phase-in period would be something we would like to see. Or perhaps a collaborative approach.

CHAIR: Senator Fisher has turned up, just for the record. I had a phone call this morning from David Farley, the Australian Agricultural Company CEO in Darwin, who was expressing in the strongest of terms the absolute meltdown that is occurring financially in the live cattle export producer side of the equation, and the immediate and urgent need for the government, which has been given a document, to try to get some credit into the system where the banks are not cooperating, in a pooling arrangement. Have you got anything to say about that? I know it is off the page for today but we are here and I know everyone thinks that somehow this is off the agenda and the impact is all sorted, but it is far from sorted. Have you got any comments that you would like to make around the urgent need for help?

Mr MacKinnon: I should just declare that not only am I the CEO of the Australian Live Exporters Council but I also sit on the board of S. Kidman & Co., and this obviously has a bearing there as well.

CHAIR: I should declare that I have got cattle.

Mr MacKinnon: I just wanted to make sure, because I am only representing the exporters in this particular case. I do not understand pooling systems and the structure under which this particular pooling system would work. If it is anything like the Victoria oat pool or any of those types of systems, I would not profess to be knowledgeable on them; I would have to see how it was going to work. I have not consulted my exporters or those that I represent, but if there is a mechanism that can help producers I would have to say that we would support that—if it is going to work. But I do not know the intricacies or the semantics of it.

CHAIR: But you would recognise that there is an urgent need for financial assistance which goes beyond some sort of Centrelink arrangement for the industry?

Mr MacKinnon: There definitely needs to be financial help, I would say, not only on a subsidy basis—or whatever it might be for producers, exporters or helicopter pilots, or whoever is involved—but funding, whether it be aid money or some form of channelling of funds, into ensuring that what we saw on *4 Corners* does not happen again and that the government is on board with the work that needs to be done in Indonesia.

CHAIR: No one is going to disagree with that.

Senator FISHER: Gentlemen, I have been listening, and want to follow on from the Chair's last point. This might not be within your province of knowledge, but to the extent that there might have been producers talking about having to dispose of their stock because of their inability to carry, do you have a view as to whether that is likely to have to happen, or is it more the case that cooler heads might prevail and there might be other solutions?

CHAIR: And if you are not qualified to answer it, don't.

Mr MacKinnon: I was just going to say that I am not qualified to answer that question and I would prefer to stay away from it if at all possible.

Senator FISHER: No problem, thank you.

CHAIR: I think we have wandered far enough off the page.

Senator FISHER: Yes. Well, you started to go there.

CHAIR: Thank you. This concludes the hearing.

Committee adjourned at 13:53