SUBMISSION

I provide my submission in support of the continuation of the Australian livestock export industry.

In providing this submission I refer directly to the Terms of Reference that cover a range of issues surrounding the live export industry that the independent review will examine and my opinion is set out below:-

a. the facilities, treatment, handling and slaughter of livestock, exported from Australia, in the importing country for consistency with the World Organisation for Animal Health (OIE) recommendations and standards set out in *Terrestrial Animal Health Code (2010)* published by the World Organisation for Animal Health and other relevant standards

-Knowledge/understanding and facts relating to facilities such as abattoirs in importing countries and the treatment and handling of cattle and the slaughter of cattle in Indonesia and any other importing country.

I have journeyed on two trade tours throughout Indonesia, including Sulawesi, Brunei, and the Philippines including Mindanao Island. I have viewed feedlots and slaughter houses, wet meat markets and the networks of unreliable electric power to most areas. Even the provincial cities such as Ujung Pandang suffered many brown outs during my visit there of several days.

I have also taken advice from a MLA consultant who is highly experienced in the sector in all countries where Australian cattle exported and particularly the areas of final slaughter. I have viewed plans of all of the restraining boxes, and discussed in detail the merits for or against the different types of boxes, either in service or envisaged to be.

-Opinion as to the present facilities in importing countries and the treatment, handling and slaughter of livestock.

I agree that much improvement can be had; cleanliness seemed to be for the most part well attended to. There seem to be quite a number of larger slaughter houses in Indonesia which were constructed by Dutch Capital Investment injections of some years ago. These facilities were of a very solid construction had good chillers, well reticulated water, reasonable but not excellent yard design and still for the most part used no restraining boxes.

Particularly on quite a few occasions I saw feeding facilities provided for the animals which were being brought into slaughter during the day immediately preceding the slaughter that night. Having adequate feed and water right up to the point of slaughter I would suggest and have been advised is the most useful tool in keeping animals stress free. Every curfew event in an animal is an event which builds stress. It must be pointed out that the same technique is mostly overlooked in Australia where it seems to be mandated that all animals have a curfew event of 24 hours prior to slaughter. (Perhaps the review may consider an examination of some of our facilities in order to

check this basic fact and that freedom from all stress is important right up to the point of slaughter)

I did note that the fifty or so trucking operations which I witnessed even though conducted in facilities of less restriction and sophistication than we enjoy in Australia such as enclosed steel ramps and races, were conducted in an uncanny yet successful method of deception to load the animals without excess stress. Had the animals become stressed they would have been unable to load them.

Suggestions to improve the facilities and/or treatment, handling and slaughter of Australian livestock in importing countries?

The standard MLA Mark One restraining box is sufficient. The box blueprints included plans for a simple to construct operator platform on the off side of the box for the use of a stunning device. Once leg restraints are in place and the animal is stunned the door can be opened and the beast conveniently and easily rolled over and well positioned for blood drainage. Effective blood drainage is essential for meat quality. Blood drainage will occur better if the animal is positioned at least in a head down attitude. The mark one box has been found to have been the easiest of all to fit in abattoirs where 240 volt power is either nonexistent or subject to periodic unreliability. Periodic unreliability of power, if it is involved for any part of the slaughter process is not acceptable and therefore both processes of box installation and slaughter conduct must be planned in a manner that does not require power.

All up-ramps for cattle usage should be covered in on the sides (at least of the lower portions) as it is elementary that animal's eyes will follow the floor plan of the surround area if allowed to and stumble on the raised floor which they are not looking at. This was found by personal experience when handling large volumes of wild cattle (helicopter mustered into portable yard in the seventies) which were yarded for the first time ever and had to be trucked to handling yards. It is a very simple yet often overlooked time saving and animal welfare saving baulk to put in place. Without it wild cattle, indeed most cattle, always stumble and congest at the foot of any ramp.

-Any comment on the World Organisation for Animal Health (OIE) recommendations and standards

With regard to stunning only. It may be nice to have stunning as part of this protocol however it would be impossible to mandate in any more than a very small number of countries around the world. I believe the training Australia provides to other countries is tremendous in reducing the stress and pain animals face in low tech countries.

b. the adequacy of the Australian Standards for the Export of Livestock (ASEL) as they apply to the preparation and export of all livestock with consideration of responsibilities for compliance and enforcement of the ASEL

-Knowledge of the Australian Standards for the Export of Livestock -
http://www.daff.gov.au/animal-plant-health/welfare/export-trade/livestock-export-standards

My knowledge of the Australian Standards of export and transport of Livestock extends from being intensely involved in the construction of those standards from concept to completion during my representative career for the Northern Territory cattlemen's Association.

Primarily I was their Cattle Council of Australia delegate and thus on the CCA executive, during the time of the Industry Representation Restructure to the current system away from the old AMLC days. It was during that time that the Industry was beset with the "ships of shame" and other problems and for those reasons that construction of much better standards was initiated.

Later I was the NTCA President during the final approval stages of the standards.

-**Adequacy of standards and possible improvements;;**

I believe the standards are world's best class, yet they may be heightened slightly with an observation from the Dr. Temple Grandin philosophy, where she comments that it is far better to complete a journey with livestock on board a truck of an extra short time than it is to de truck, rest and then reload and continue.

I would strongly suggest that should the export of livestock be prohibited that the supply of cattle from the remote northern and North west sections of our country to the southern meatworks be conducted by sea transport. The cattle will be more comfortable with better welfare outcomes and of course carcase quality such as it is from the northern cattle would not be eroded by the use of long distance trucking.

c. the adequacy and effectiveness of current Australian regulatory arrangements for the live export trade

-Knowledge of current regulatory arrangements for live export.

No comment.
-Adequacy of the current regulations for Export requirements, feedlot and abattoir standards, transport regulations, both trucks and export ships.

Yes these systems are most adequate.

-Suggestions to improve these regulations.

It may appear that more feedback on local conditions and problems should be had to the MLA from the overseas agents and also from the MLA to DAFF and its minister. After all the MLA is an organisation set in place by Government legislation so therefore has to be accountable to the respective minister.

Not for one minute would I suggest the changing of any of the respective structures or peak councils as I think they are the very best way to canvas and implement decision and policy.

d. the types of livestock suitable (weight, age, body condition, breeds) for export as feeder or slaughter animals

-Opinion in relation to the breeds, weights and age and body condition of livestock exported from Australia?

It was very obvious that there were strong indicators which within themselves set the specifications

for the type of cattle required in all South East Asian countries.

The main points were that;-

- The governments wished to involve local people in employment for value adding to imported animals
- The animals needed to be relatively resistant to the same parasites as are evident in Northern Australia
- Because the usual Asian cooking style is the wok, the animals needed to be relatively lean with a preference for entire males and their fat which is slightly more resistant to quickly melting (that is, it is still solid and edible) in the cooking process in the wok. By explanation I mean that the process usually was attracted to dicing the fat, then singeing it quickly on a hot plate and then including it as whole portions to eat as an attractive part of the diet. The fat from entire's remained firm, the fat from soft overfat steers tended to "disappear" as it quickly melted.
- The animals needed to be Feeder cattle to be of a weight range and condition score that allowed excellent weight gain over a 90 or 120 day period under local feed conditions. That means animals landed there needed to be from 280 to 350 Kg and a body condition from 3 to 3.5. (out of 5)
- The animals needed to be able to adapt quickly to the local fodder, being mostly green chop of various types and either a dry ration based usually on copra meal or a wet ration based on banana or pineapple waste products.
- The animals needed to be relatively tractable and used to humans.
- It was most important that animals were not carrying any open wounds such as being freshly dehorned, castrated or with freshly inserted ear tags etc, because of the threat of screw worm fly.
- The animals were required to be sound of structure with nil defects such as blue eyes or short tails.
- At many places I visited there was strong preference for entire males because of their superior weight gain ability and the pre-mentioned leaner and preferred fat structures.
- On the odd occasions when the local monsoon season was less active if not severely less active there was the preference for cattle suitable for immediate slaughter up to only a thirty day holding period after import. By way of explanation none of the countries or places I visited stored grain or cattle feed of any sort so the local feeding system is hand to mouth and if feed is in short supply then animals cannot be held for long. Those animals were required to be between 380 to 450 Kg's (or heavier) and of a 4 to 5 body condition score.
- On some occasions there was preference for a mix of animal types with some slaughter animals required as part of a consignment of feeder cattle.
- At all feedlots I visited the preference was for animals which in their view gave, a) good daily

weight gain, b) excellent feed conversion ration and c) good primal muscle size.

-Are we exporting the right cattle through the live export trade?

There should be more entire males for feeder purposes. The strong advantage of entire animals is that the testicular activity and resultant hormonal growth promoted higher daily weight gains. These animals do not pose undue handling costs on the Australian farm, indeed for two years I supplied such animals and found them easy to handle. What I found hard to handle was the prejudice exercised by the Australian live stock agents who preferenced steers over the entires by at least 4 to 5 cents per KG. I think this was for reasons of their own which I think were because of a lack of knowledge of the market to which they were supplying.

In any event our agents and breeding systems could do well to listen more attentively to the market forces of South East Asia s they are the customer and they must be serviced with their requirements, not a loose or distorted interpretation of them.

-Knowledge of Cattle breeds that currently service the overseas trade.

By and large any cattle breeds adapted to northern Australian conditions are excellent animals for all of our overseas markets in South East Asia or the Middle East.

-Difference between a feeder and slaughter animal including weight ranges to ensure the reviewer understands this.

As explained above, however particular emphasis must be placed on the prevailing seasonal outlook and past rainfalls in host countries to be aware of what capacity will be available for fattening animals.

-Include all knowledge that you have that relates to this question to clearly explain from a producer's point of view your opinion and expertise.
-Any ideas for improvement?

These observations come from long discussions with an MLA consultant and my own observations.

I would be particularly careful of embracing methodology of any standing bleed out position in the restraining boxes as we must at the end of the day be helping to provide advice for a good carcase quality. A carcase that is not well bled out is not a good idea. A standing head restraint system which is applied even for a short duration also tends to stress animals quickly.

I would be very wary of suggesting new types of restraint / stunning boxes that rely on electrical current or hydraulic pumps and valves (which break down and must be repaired where maintenance is very hard to find) for their operation or that include any items as part of their construction which may provide any sort of baulk to cattle entering, which thus contributes to stress levels.

The design of such facilities should preclude the capacity for any animal to provide its own purchase points to extricate itself from the device or allow muscular tension which always provides for tougher meat.

Note; In Australian abattoirs electrical stimulation after stunning and bleeding is usually provided as a muscle relaxant. For the same reason was the technique of tender stretch adopted.

Facilities must be simple and use where possible gravity as the primary agent of manipulating carcases onto skinning cradles for example.

e. the extent of monitoring required for each export consignment of feeder or slaughter livestock, in a manner that ensures accurate and transparent reporting to the Australian Government of the condition of the livestock from departure from Australia up to and including the point of slaughter in the country of destination

Suggested questions/points you could cover to refer to this Term of Reference:-
-Opinion about monitoring the condition of export livestock?

My experience of livestock exported is that every attention is given to their well being, so much so that most animals put weight on while being transported. A stressed animal will not gain weight.

-What is your knowledge of monitoring that occurs at present between departure from Australia and up to and including the point of slaughter in the country of destination?

I believe the feedlots do a very good job their technology is relatively high and scientific principle are applied to feeding cattle for maximum weight gain. Feed lots cannot make a profit if animals are poor doers and MLA and Live Corp have provided training and documentation in helping feedlot managers identify and deal with problems such as sick and or injured stock.

Is it adequate?

Being a pragmatic Primary Producer, I cannot see how it could be improved other than by ongoing support and training and continuing Research and Development into all issues concerning feedlot management.

-Can the current monitoring be improved in any way? What do you think are key gauges that need to be considered when monitoring the health and wellbeing of export cattle (e.g. Weight, condition, score)?

Sick or injured cattle do not get on the boat. AQIS veterinarians inspect each loading for precisely this. I think that the industry has a good understanding of all matters pre embarkation and during the sea journey.

-How and who to monitor.

A paper system should be in place, conducted jointly by the Indonesian equivalent of AQIS at one end and independent audits, and AQIS as currently at Australian end.

-The role of NLIS in this monitoring

Hopefully, limited. I am extremely concerned that an NLIS system will let us down at audit.

Usefulness of NLIS as a useful/vital tool to utilise especially in Australian owned facilities e.g. Elders and Wellards?

Most animals that leave Australia are NLIS tagged. It may be useful for Feedlotters as a means of tracking animals, I could not say. It costs producers $3.50 to buy each tag and more to apply them. I do not think NLIS is a useful or vital tool for tracing animals. It is another high tech and expensive 'solution' that it is being suggested that we impose on a low tech country with few available disposable funds, which will work against current in country systems.

My experience is that one should always find a way to work within current systems and especially the current tools of trade, which in Indonesia is the invoice and or receipt book. This allows maximum take up. With a carbon copy of a receipt matching an invoice there is nothing more sophisticated than a paper spike that is required to keep records. Then all is required to audit is to collect the matching copy from the feedlot to match against the numbers at the abattoir that were slaughtered by each individual slaughter team and if any are missing they must be accounted for or it is shut down until they do.

In fact the Indonesian paper system might be modified in a similar way to the Northern Territory's paper system to be put in place with little effort. The Northern Territory were easily able to locate cattle in all audits using their paper system where as I believe Victoria are still trying to find theirs years later, with their NLIS system. NLIS tags do fall out, stop reading and can be removed, even though it is an offence to do so. By no means are they 100% reliable. Therefore it would be better to paper docket cattle numbers out of feedlot onto truck, to Abattoir 'A' and so forth and docket animals off truck and into Abattoir and then docket slaughtered. That is four separate counts which makes it much more difficult to corrupt.

At the end of the day it is the cohorts of any suspect animal that we must trace in the NT disease paper based trace-back system which we do with exemplary skill. In Indonesia it is a number of animals or a single animal that may be missing from a mob of its cohorts that must be accounted for. It is not necessary to know that the missing animal has an alpha numeric individual number of twenty or so digits. You won't actually know that until you find the animal if in fact it still has an NLIS tag installed to give you that animals ID. A far as I know all Queensland, Northern Territory and West Australian cattle have other identifiers such as registered fire brands and earmarks. An inspection at disembarkation can assure that these are in place or they don't get a clearance to board.

A paper based system could be up and running almost instantly, right across the current consumer base. Especially as mentioned previously there are few abattoirs with reliable power to drive computers or indeed data terminals for information transfer. Unless of course the Australian Government is going to magnanimously offer to lay a broad band cable network around all the abattoirs and feedlots in all of South East Asia.

To think that there will be reliability of tag retention from the point of disembarkation right thru to the point of slaughter is folly indeed, in my opinion.

f. the risk management strategies necessary to address the welfare of animals from departure from Australia, up to and including the point of slaughter in the country of destination

Suggested questions/points to refer to this Term of Reference:-

- Greatest risks concerning animal welfare when cattle are exported?

Constant improvement is being had , but should even issues such as remote exotic or zoo-otic incursions become evident than I have great faith in our monitoring systems and the emergency animal Disease Preparedness strategies to handle such

-How can these risks be managed/eliminated?

As above

-Strategies to address risks in relation to animal welfare between leaving Australia and up to and including the point of slaughter in importing countries.

No comment.

-Key suggestions to improve slaughter practices in facilities in importing countries.

Already covered as above from a machinery point of view. From the operator's point of view is a matter beyond my suggestions.

Sovereign risk

The greatest risk that this trade has was demonstrated by the action of the ban on Live export. It was imposed I believe by the actions of a minority group with an agenda to simply destroy the trade not to contribute to and help the trade. The ban has put at risk the viability of an immense area of Australia's landmass productive sector and an extremely important part of our country's GDP.

It is simply not acceptable to the normal voter of this country to think that such large risk factors can be exercised by such a small group of non elected radical people.

Disease risk

This ban has also exposed another vital risk, that of bringing much closer to our shores the risk of Foot and Mouth disease by virtue of the fact that to simply feed itself the Indonesian people may need to overturn their Animal Health Policy on Foot and Mouth and import cattle or meat from such affected countries.

g. Other matters relevant to these terms of reference that the reviewer considers appropriate.

An outline of the animal welfare best management practises incorporated in recent history of our and our Industry's operation, including the level of care and high standard of animal welfare pertinent to Live export.

Animal welfare in northern Australia has increased exponentially during the increase of live exporting over the last 25 years. When I first arrived in the Northern Territory in 1971 the usual cow mortality meant that cows provided only one or two calves during their life and there was never any replacement heifers spare from the breeding herd available for sale. In fact the camp I was running

achieved only a 28% weaning percentage in my first year here.

Nowadays cattle are fed protein rich supplement during the prolonged dry where protein drought is common every year and phosphorous rich supplement during the wet season to replace depleted reserves from the long dry period and because all of northern Australia is phosphorous deficient. This comes at an extraordinary cost and means that all of our northern operations are very highly geared financially to a high price of return. With the advent of the vast amount of very recent improvements in the whole of the Northern and North Western live ex areas with its extra traffic and imported blood lines it is also evident that there is a higher intrusion of weeds. These weeds cost a lot to control or eradicate where they can be.

None of those costs were evident during the cattle crash of the early seventies when harvesting of feral animals was more common rather than intensive high quality breeding operations which meant that during that time producers were more easily able to shut the gates and live on a lower level of means with less proportionate loss to the their main asset which is the breeding herd.

All of these improvements carry a high cost of maintenance and running such as fuel for pumps, fire lines etc.

In my own case which is similar to many, I acquired this property first in 1985 and there was not one improvement or permanent water on it. Since then with much hard work and lots of outside income my family and I have built it to be able to carry a herd of some 6.500 cattle. This last financial year for the very first time we were very eagerly looking forward to the very first self sustained profit, even though meagre. The very short speech by Minister Ludwig banning live export trade crucified our profit margin and instead brought a loss margin some $305,000.00. There being cattle consigned still awaiting transport at that time. The included and amended Profit and loss summary illustrates this as well as highlighting the very high cost of livestock expenses, most of which is supplementation.

To say that I and others are devastated and experiencing some of the same trauma as associated with close personal bereavement (which I have endured) is something of an understatement.

All of my and my wife's superannuation is tied to this property's hard work and investment, so to lose it would put us as dependent upon a pension. My age of 63 years being such that I would be pretty much unable to start again at virtually anything.

I would be happy to provide further information regarding the controls of trauma, the so called control of the resultant cholesterol levels and why it is important not to inhibit such bodily activity. Briefly it is summarised as follows; - Cholesterol is the major building block of cellular growth and hormone activity and without it the brain for instance loses its capacity to defend itself, leading to more suicides. It was most noticeable that high cholesterol levels were recorded in a recent Australia wide survey in the recent most drought affected areas of the country.

References may be found here:-

http://www.psychologytoday.com/blog/evolutionary-psychiatry/201103/low-cholesterol-and-suicide

http://www.spacedoc.com/cholesterol_levels_depression

To say that I can continue in a continuing loss situation is false and I would suggest that as a rule of thumb any income dependent upon a total reduction of overseas trade of more than 20% will mean no more capital expenditure, no weed control (leading to a catastrophic weed intrusion in many places in the near future with its resultant loss of production) and less spent on animals which will

spiral into loss of production and further loss of income.

My future without the Live export trade being immediately resumed to its full extent whilst upgrades to tracing and slaughter techniques occur in parallel are easy to forecast. Briefly, I have bred type specific animals for this trade; I am situated in an area where it is indeed difficult to grow out animals large enough to sell in southern Australian meatworks. If I could they would only be regarded for grinding beef market because of the two or three declining nutrition planes that they must endure each dry season. It would take me two years extra to achieve the body weight I would need to install more capital improvements at mortgaged cost meaning that I would have to extend debt further. The return against that extra cost will be far less than has been enjoyed at live export; in fact for us we calculate 50 to 55% of the norm. That is without the extra mortgaged cost of twelve to eighteen months no returns while the cost of supplement and maintenance for which will need to be serviced. Quite simply if I am just paying my way now, I will fail under any adverse situation such as has imposed upon us by this ban. I know that my predicament is widespread.

Current very loose forecasts suggest a resumption of up to 40% of the Indonesian trade by sometime next year which is around 80% of the total trade. That means a total of 50% maybe, which is a lot less than 80%. Things such as personal household maintenance, children's boarding school fees and keeping and up to date and safe motor vehicle for the family use will be amongst the first indicators of severe hardship. In most remote areas a good 4WD is mandatory for safe wet season travel.

This review is an opportunity for the opinions, facts and ideas of Australian cattle producers to be put forward and possibly considered for future regulatory framework and the future operation of the live export industry.

I wish to sincerely thank the chance to present my ideas. May I finish on one note not already covered,

That is the point of supplying animals as compared to boxed beef.

At every location of my overseas visits I noted the lack of reliability of the reticulated electricity supply indeed in many areas there was no power supply. At the wet meat markets the meat is sold on the basis that no household has no power and thus no refrigeration for the storing of products which require reliable power to maintain a cool temperature. Most importantly the cheap cost of labour for them meant that they could supply a much cheaper article to the wet meat market than anywhere in Australia could do were we to use the same marketing system.

The cost of boning out meat in Australian abattoirs, shipping and distributing such to the same meat markets (even if adequate refrigeration was available, would be far in excess of the wet meat market consumer ability to pay for.

The wet meat market caters for around 70% of all meat consumption. Those same 70% of people would never be able to afford to pay for boxed beef from Australia or anywhere else in the world. Wet meat is what they, our customer wants and that is what we must supply, without complaint and twice as quickly as immediately.

In service industries such as ours we must listen to the customer not dictate to them or we will lose.

My past experiences in the Industry Representative structures force me to feel ashamed, humiliated and extremely frightened for our future and that of our two great countries relationship. I would like to see an in depth apology sent to the Indonesian people, and their workers who are also feeling great deprivation as a result of the Live export ban.

Finally I believe there is a place for cattle to be shipped to Indonesia, fed and slaughtered there for

export to other parts of the world. I believe that there are synergies we can and must capture in continuing to work together with our closest and kindest Muslim neighbour.

Signed:	 John Armstrong.
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Date:	20th July 2011