



Submission No 32

Inquiry into Australia's Relationship with Malaysia

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JSCFADT inquiry into Australia's relationship with Malaysia

DAFF appearance at public hearing 4 December 2006

Responses to Questions on Notice

1. Which states are the major sources of our meat exports to Malaysia and what is the product breakdown of those exports?

In 2006 the major sources of Australian meat exports to Malaysia by volume were Victoria, followed by Queensland and New South Wales (NSW). Queensland was the major beef and veal exporter, followed by Victoria, while Western Australia exported the largest volume of goat meat, followed by Victoria. Western Australia and Victoria were also the largest exporters of lamb to Malaysia and Victoria and NSW were the major mutton exporters. Victoria exported the largest volume of offal to Malaysia, while NSW supplied the most processed meats.

Australian exports of meat to Malaysia by state of production: 2006

State and Volume (Ship Kg)							
Product	NSW	VIC	QLD	SA	WA	TAS	Total
Beef and Veal	0	649,172	1,381,611	0	0	0	2,030,783
Goat	0	32,356	0	0	37,938	0	70,293
Lamb	1,034	761,209	0	36,218	843,875	49,980	1,692,317
Mutton	2,153,031	2,368,815	716,532	1,422,946	943,793	99,971	7,705,088
Fancy Meats (Offal)	211,121	1,343,178	726,241	17,516	32,902	0	2,330,958
Processed Meats	17,838	958	232	0	0	0	19,029
Total	2,383,024	5,155,689	2,824,615	1,476,681	1,858,508	149,951	13,848,469

Source - DAFF Statistics

2. List of Australian meat establishments approved for export to Malaysia

Est. No.	Address	Approved product
8	Fletcher International WA Lot 5216 Settlement Rd, Narrikup WA 6326	Carcass, cuts, offal and deboned meat of sheep and goat
83	Hillside Abattoir Lot 50 Boxcell Rd, P.O.Box 29, Narrogin WA 6312	Carcass, cuts, offal and deboned meat of sheep and goat

177	Geraldton Meat Exports Pty Ltd Lot 1 Abattoir Rd, Moonyoonooka, Geraldton WA 6531	Carcass, cuts, offal and deboned meat of sheep and goat
195	Longford Meat Company Tannery Road, Longford TAS 7301	Carcass, cuts, and deboned meat of sheep and goat
203	Stanbroke Beef Pty Ltd Grantham Scrub Road, Grantham QLD 4347	Carcass, cuts, offal, fat (edible fat) and deboned meat of cattle
217	Southern Meats Pty Ltd Mazamet Road, Goulburn NSW 2580	Carcass, cuts and deboned meat of sheep
282	CRF (Colac Otoway) Pty Ltd 1 Tristania Drive, Colac VIC 3250	Carcass, cuts, offal and deboned meat of sheep and goat
298	Ararat Meat Exports Pty Ltd Nott Road, Ararat VIC 3377	Carcass, cuts, offal and deboned meat of sheep and goat
344	Southern Queensland Exporters Pty Ltd Longs Lane, Wallangarra QLD 4383	Carcass, cuts and deboned meat of sheep
359	Conroys Smallgoods Pty Ltd Box 285 Abattoirs Rd, Port Pirie SA 5540	Carcass, cuts and deboned meat of sheep
533	T & R (Murray Bridge) Pty Ltd Lagoon Road, Murray Bridge SA 5253	Carcass, cuts, offal and deboned meat of sheep
572	Western Australia Meat Marketing Co-Operative Ltd (WAMMCO International) Great Southern Highway, P.O.Box 703, Katanning WA 6317	Carcass, cuts, offal and deboned meat of sheep and goat
612	Norvic Food Processing Pty Ltd 54 Kelly Road, Wodonga VIC 3690	Carcass, cuts, offal, fat (edible fat) and deboned meat of cattle, sheep and goat
686	VV Walsh, Rawling Road, P.O.Box 1713, Bunbury WA 6231	Carcass, cuts, offal and deboned meat of sheep
688	Tasman Group Services Pty Ltd 30 Industry Park Drive, Brooklyn VIC 3012	Carcass, cuts, offal, fat (edible fat) and deboned meat of cattle and sheep
2019	The Game Meats Company Of Australia Pty Ltd Hughes Lane, Eurobin VIC 3739	Carcass, cuts, offal and deboned meat of goat, emu, ostrich and venison

3085	Castricum Brothers Pty Ltd 342 Hammond Road, Dandenong VIC 3175	Carcass, cuts, offal and deboned meat of sheep and goat
Source - Department of Veterinary Services, Malaysia		

3. Australian exports of live animals to Malaysia

Volume and Value of Live Exports to Malaysia in 2005

	Cattle		Sheep		Goats	
	Volume	Value	Volume	Value	Volume	Value
Jan 2005	0	0	400	\$16,000	2,871	\$200,132
Feb 2005	2,583	\$1,445,411	521	\$35,728	2,532	\$153,941
Mar 2005	3,300	\$1,649,163	2,200	\$156,472	1,444	\$93,989
Apr 2005	0	\$0	0	\$0	0	\$0
May 2005	2,663	\$1,475,920	1,330	\$73,828	800	\$62,107
Jun 2005	4,573	\$2,125,678	1,221	\$56,949	975	\$40,510
Jul 2005	7,400	\$3,829,320	1,920	\$118,146	398	\$35,675
Aug 2005	3,010	\$2,027,891	1,484	\$108,408	1,575	\$99,325
Sep 2005	5,237	\$2,640,328	2,101	\$171,946	4,094	\$307,567
Oct 2005	4,900	\$2,716,260	4,458	\$263,039	4,340	\$340,852
Nov 2005	2,701	\$1,345,410	470	\$33,584	2,322	\$417,854
Dec 2005	1,700	\$819,750	3,600	\$241,000	5,067	\$357,195
Total	38,067	\$20,075,131	19,705	\$1,275,100	26,418	\$2,109,147

Source - ABS

4. Who are Australia's biggest competitors in exports of live animals and Halal meat to Malaysia?

In 2005 Malaysia imported approximately US\$41.5 million worth of live animals. Australia was the major supplier, supplying more than US\$27.8 million of mainly cattle (US\$22 million), goats (US\$3.3 million) and sheep (US\$2 million). After Australia, New Zealand was the next major supplier of cattle (US\$1 million) and Indonesia was the next major supplier of both sheep and goats (US\$49,000 and US\$298,000 respectively). Australia also exported chickens and horses to Malaysia worth \$284,700 and \$59,200 respectively in 2005. The major suppliers of chickens to Malaysia in 2005 were the Netherlands (US\$3.8 million), United States (US\$2.4 million) and United Kingdom (US\$2 million), while the major supplier of horses to Malaysia in 2005 was Singapore (US\$220,000), followed by Australia and the United Arab Emirates (US\$28,000).

Major suppliers of live animals to Malaysia: 2005

Product and Percentage Share							
Rank	Cattle	Sheep	Goats	Horses	Pigs	Chickens	Ducks and Geese
1	Australia	Australia	Australia	Singapore	Norway	Netherlands	United Kingdom
	81.43%	97.69%	91.46%	58.98%	55.89%	33.31%	84.97%
2	New Zealand	Indonesia	Indonesia	Australia	Canada	United States	New Zealand
	18.54%	2.31%	8.15%	15.79%	44.11%	21.20%	7.62%
3	South Africa		Brunei	United Arab Emirates		United Kingdom	France
	0.03%		0.40%	7.60%		17.94%	6.22%

Source - Comtrade

In 2005 Malaysia imported meat worth US\$231.2 million. India was the major supplier, supplying more than 60 per cent of all imports, followed by Australia (15 per cent) and New Zealand (14 per cent).

Major meat suppliers to Malaysia: 2005

Rank	Country	Percentage Share	Products
1	India	61.11%	virtually all bovine meat; some meat of sheep and goat
2	Australia	14.51%	meat of sheep and goat; bovine meat
3	New Zealand	14.37%	bovine meat; meat of sheep and goat
4	Brazil	3.56%	all bovine meat
5	China	1.46%	meat of swine, bovine meat; poultry

Source - Global Trade Atlas

Of Malaysia's total meat imports by volume, bovine meat constituted about two thirds of meat imports (67 per cent), with poultry comprising 22 per cent, mutton and goat meat 6 per cent and pig meat 5 per cent.

5. Australian company investment in Malaysian meat processing operations.

Australian company Comgroup Supplies Pty Ltd has invested in the Malaysian meat processing industry through a joint venture with the Malaysian company Prima Agri Products Sdn. Bhd. Comgroup specialises in the production and export of products for the fast food and catering industry and Prima Agri is a manufacturer and distributor of Halal meat-based products. The joint venture is known as Comgroup Prima and will take over Prima-Agri's business supplying beef patties to fast-food chains such as Burger King and TGI Fridays in Malaysia, with a view to exporting to markets such as China and the Middle East in the future.

6. How serious an issue are exports to Australia of Malaysian furniture made from illegally logged timber and what is the progress on any concerns we may have raised with the Malaysian Government?

While it is difficult to quantify the level of exports to Australia of Malaysian furniture made from illegally logged timber, a report commissioned by the Department of Agriculture, Fisheries and Forestry estimates that the impact of illegal logging activity on imports was approximately 22 per cent by value of Australian imports of wooden furniture from all sources. Australia imports wooden furniture from nearly 90 countries. Malaysia is the second largest source of imports supplying 13 per cent of Australia's wooden furniture imports. In 2003-04, Australia imported \$1 billion of wooden furniture, with approximately \$130 million coming from Malaysia.

Australia has raised the issue of illegal logging with Malaysia both bilaterally and in international fora, including at the Ministerial level. Australia supports Malaysia's efforts to reduce illegal logging and improve its sustainable forest management practices, including through implementation of its certification scheme under the Malaysian Timber Certification Council.

Malaysia is seeking international recognition of its scheme's assurance for legal and sustainable timber production and, to this end, is formally seeking recognition by the Programme for the Endorsement of Forest Certification Schemes (PEFC). The PEFC is an international framework for independently assessing national certification schemes and recognising that they meet agreed international requirements. Australia is supportive of Malaysia's intention to seek mutual recognition of its certification scheme by the PEFC and is keen to work with Malaysia to enhance the acceptance and awareness of forest certification under the PEFC framework.

Malaysia is also working hard to improve its forest certification system and prove the legality of its forest products through the development of a Voluntary Partnership Agreement with the European Union (EU) under the framework of the EU Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan.

Australia is seeking to expand the officials' level Malaysia-Australia Agricultural Cooperation Working Group forum to cover forestry issues and further cooperation. Malaysia is currently considering Australia's proposal.