

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2014

Agriculture

Question: 56

Division/Agency: Agricultural Productivity Division/LiveCorp

Topic: LiveCorp functions, structure, staff and performance review

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Senator STERLE asked:

1. What exactly does LiveCorp do?
2. Detail your funding Structure?
3. What is your current staff numbers?
4. What are LiveCorp priorities for the year ahead?
5. Detail your performance review

Answer:

1. The Australian Livestock Export Corporation Limited (LiveCorp) is a not-for-profit industry body owned and funded through contributions by livestock exporters. Through its investment of statutory levies, LiveCorp provides research, development and extension (RD&E), marketing, training and communications services to the Australian livestock export industry, working closely with stakeholders to continuously improve industry operations.

LiveCorp's primarily objective is to enhance the productivity, sustainability and competitiveness of Australia's livestock export industry by undertaking RD&E, providing technical services/support and monitoring and reporting on programs and issues that facilitate:

- Continuous improvement in livestock management, health and welfare throughout the supply chain;
- Improved market access and market development for Australian livestock exporters; and
- Improved efficiency and productivity in the livestock export industry's supply chain capability and performance.

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2. LiveCorp is funded by statutory levies on livestock exports of beef cattle, sheep and goats. A voluntary levy is also received for dairy cattle exports.

The current levy rates are:

- Beef cattle - \$0.009523 per kg
- Sheep - 60 cents / head
- Goats - 50 cents / head
- Dairy cattle - \$3 per head (voluntary)

3. LiveCorp currently has 5 full time equivalents.

4. In accordance with the LiveCorp Strategic Plan 2012-15 (<https://www.livecorp.com.au/livecorp-strategic-plan-0>), the priorities for the year ahead are aligned with the following four strategic imperatives:

Animal Health and Welfare

This strategic imperative is supported by programs in RD&E and in-market services delivered by the respective offices (Indonesia, Other Asia and Middle East and North Africa (MENA)).

The RD&E program balances its investments between short, medium and long term research projects and across industry segments. The RD&E program will also continue to refine and expand its training and support materials, including:

- Standard Operating Procedures (including translations)
- Work Instructions (including translations)
- Leave behind resources – DVD's / flipcharts / handbooks
- Software
- Guides and handbooks.

The in-market programs deliver improvements in animal welfare through gap and risk analyses, information seminars and training services. The gap and risk analysis programs provide support to exporters in achieving ESCAS compliance and mitigating risks. The in-market programs also provide additional technical support for key festival periods, including:

- Ramadan – Indonesia
- Eid al Adha – MENA
- Korban – Other Asia

Supply Chain Efficiencies

In order to remain competitive, it is important that the livestock export industry continues to improve supply chain efficiency and livestock performance.

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LiveCorp will be focused on projects that support the streamlining of regulations, improved compliance and the development of systems and/or procedures to ensure supply chain participants are competent and well trained.

Regulation forms an increasingly significant component of the costs of exporters. As such, the LiveCorp will continue seek to identify and encourage the implementation of systems, procedures and reforms that will streamline existing regulations and support efficient and cost effective compliance approaches.

LiveCorp will also focus on addressing the duplication that exists across a number of processes under ESCAS, particularly in relation to auditing. Unnecessary duplication in regulation adds significant costs to exporters' and importers' businesses.

Market Access

LiveCorp is committed to assisting industry to maintain and improve existing market access conditions and to open new markets. LiveCorp works with industry to prioritise market access issues and to provide a conduit to the government to assist it in directing its trade negotiations.

The market access program will focus on building strong relationships with government officials (domestic and international) to support the development of new markets through trade negotiations and the provision of technical support.

Stakeholder Communications

LiveCorp places a high priority on ensure it effectively communicates with the industry and government on the progress of industry programs. This will involve providing market information, RD&E outcomes, statistical updates and summaries.

5. In accordance with the 2010-14 Statutory Funding Agreement (SFA) between LiveCorp and the Australian Government, LiveCorp was required to undertake a performance review prior to 31 December 2013.

The Terms of Reference (ToR) of the performance review were considered and approved by the then Minister for Agriculture, Fisheries and Forestry, Senator the Hon Joe Ludwig. The ToR's took into account:

- The performance of LiveCorp in meeting its SFA obligations;
- The implementation of Annual Operational Plans and the Strategic Plan and LiveCorp's effectiveness in meeting the targets and budgets in the plans;
- The efficiency with which LiveCorp carried out the plans;
- The delivery of the benefits to the industry foreshadowed by the plans; and
- The effectiveness of measures put in place by LiveCorp to ensure its ongoing viability (included at the Senator's request).

The final report was provided to the Minister for Agriculture, the Hon Barnaby Joyce MP on 20 December 2013. The review found that LiveCorp met its obligations under the SFA and

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that those consulted during the review – including senior Departmental officers – were firmly of the opinion that industry outcomes, particularly in relation to animal health and welfare, would not have been achieved in the absence of LiveCorp’s contribution. The LiveCorp Board is in the process of writing to the Minister to advise him of the Board response to the recommendations of the review.