

Property Identification Code Working Group
Department of Agriculture
18 Marcus Clarke St
Canberra ACT 2601

By email: NBC.Traceability@agriculture.gov.au

Dear Property Identification Code Working Group

The Australian Livestock Exporters' Council (ALEC) is a member-based, peak industry body representing Australia's livestock export sector which contributes over \$1 billion in export earnings annually while employing 13,000 mainly regional Australians. ALEC provides strategic direction to the industry, sets industry policy and represents Australia's livestock export trade in Australia and internationally.

ALEC members account for more than 96 per cent of Australia's annual livestock exports, by volume and value. ALEC's membership also extends to supply chain participants including registered premise operators, ship owners, feed suppliers and other service providers to the trade. More on the importance of the livestock export industry to Australian agriculture and the economy can be found at Attachment 1.

ALEC appreciates the opportunity to provide comment on the draft property identification code principles and business rules developed by the Property Identification Code Working Group which comprises of state and territory governments and the Commonwealth.

ALEC notes that the Department of Agriculture (the department) are seeking to enhance Australia's traceability arrangements across animal, plant and food industries to help with managing pest and disease outbreaks, food safety, trade and market access requirements. The department are also seeking to address increasing consumer interest in product sustainability, ethics and providence.

Expanding the use of property identifiers to include the major plant production sectors, as well as the livestock sector, and the draft property identification code principles and business rules, developed by a working group comprising state and territory governments and the Commonwealth, are supported by the livestock export industry. Property identification code reforms are warranted and overdue. The proposed reforms seek to return the system to its original intent, which has been diluted overtime.

An effective traceability system is a key enabler for effective and efficient disease outbreak responses and maintaining international market access. Such reforms are therefore pertinent, particularly with the recent focus on Asian Swine Fever and the ever-present threat of Foot and Mouth Disease. The timely flow of accurate information is critical, as is the ensuring appropriate compliance activities are undertaken.



ALEC notes that property identifiers will be expanded to include properties that are part of the supply chain nationwide. Included, among a range of others, are:

- Export facilities
- Feedlots
- Holding yards/transit centres

The draft property identification code principles and business rules of relevance to the livestock export industry are:

Principle 5 - A property identifier will be mandatory for properties:

- used for keeping livestock, and
- within the supply chain for domestic consumption or export.

Principle 9 - The property identifier and associated data is to be provided to, and integrate with, livestock traceability arrangements and export certification.

Traceability underpins Australia's reputation as a supplier of safe produce, products and livestock worldwide. Enhancing Australia's traceability arrangements across animal, plant and food industries to help manage pest and disease outbreaks, food safety, and other factors through continual improvement is therefore of the utmost importance.

Please do not hesitate to contact ALEC's Deputy CEO, Mr Alastair James on 0428 776 626 or deputyceo@livexcouncil.com.au should you wish to discuss this submission further.

Regards,

Mark Harvey-Sutton
Chief Executive Officer
Australian Livestock Exporters' Council

Attach.

NFF House
14-16 Brisbane Ave, Barton ACT
Locked Bag 9, Kingston ACT 2604

Phone: (02) 6269 5690
Email: info@livexcouncil.com.au
Web: www.auslivestockexport.com

Attachment 1

The importance of the livestock export industry to Australian agriculture and the economy

According to market intelligence company Mercado, over \$620 million of revenue from live cattle exports is returned to the farm gate, representing around 50 per cent of total revenue. Live Cattle exports are valued at \$1.2 billion, representing 13 per cent of the total cattle industry value. The live cattle industry also sustains approximately 10,000 full time jobs.

Of more relevance to the discussion paper is a similar report prepared by Mercado, which recently found that the average value of Australia's Live Sheep exports from 2014-18 is \$220 million per annum. Almost half of the revenue earned from the live sheep export trade is retained on-farm and is estimated to have averaged \$100 million per annum over the last five years. Western Australia is the largest exporter accounting for 82 per cent of all sheep exports, representing nearly 30 per cent of annual sheep and lamb turn off.

This indicates that the live export sector plays an integral role in underpinning price, which assists in growing the overall value of the sector. Many chilled and frozen markets have been established off the back of the live export industry's initial presence, providing a pathway for chilled and frozen exports.

There are also significant other benefits of the trade beyond economic:

- Some countries do not produce enough livestock to feed their population and as a result they rely heavily on Australian livestock for their food security and in some cases, social harmony.
- Processing animals locally, for some nations, is often cheaper than buying boxed or chilled meat slaughtered in Australia, which is a high input cost industry compared to its global competitors.
- Religious requirements, particularly around festival times, dictate the slaughter of animals (under Australian controlled conditions where Australian animals are involved).
- International processors prefer to use not just the meat, but the entire animal for different products.
- The export of livestock supports a wide range of consumers and different market segments that live animals processed locally are most suited to (for example, wet markets).
- Exporting livestock strengthens breeding and herd numbers with quality genetics and aids many developing countries in achieving self-sustainability goals.
- Australia's live exports support the development of a local processing sector in developing countries.
- Live export supports public policy programs to increase meat and dairy consumption and the endeavours of importing countries to provide food security.

Over 100 countries export live animals with Australia having the highest standards in the world. Indeed, through the Livestock Global Assurance Program (LGAP) which is an initiative of the Australian industry, a global standard will be set for live animal exports.

Australia's increased efforts to help improve animal welfare is recognised as contributing to wider social and ethical change, better treatment of local livestock, improved worker safety and better meat quality. This positions the sector as a key driver of animal welfare improvements globally.