

## LEGISLATIVE COUNCIL Question On Notice

**Wednesday, 10 April 2019**

**2088. Hon Robin Chappie to the Minister for Agriculture and Food**

I refer to the live cattle export industry in the Kimberley and Pilbara and comments made by former live exporter Mr Geoff Davy who said "We must plan the future shutdown of the industry, which I think is inevitable," and RSPCA Australia's senior policy officer, Dr Jed Goodfellow, who said "...domestic processing is the only way to ensure Australian animals' welfare." in an article on ABC Rural on 19 September, 2018 "What would Australia look like without live exports?" (Link - <https://www.abc.net.au/news/rural/2018-09-19/impact-on-australia-without-live-export/10254566>), and I ask:

- (a) has the department done any analysis of the long term future of the live cattle export industry;
- (b) if no to (a), why not;
- (c) if yes to (a), will the Minister table the analysis;
- (d) if no to (c), why not;
- (e) is the Minister aware of any analysis of the live export industry's future done by any other government departments, consultants or that has been done by private industry;
- (f) if yes to (e), what did the analysis say;
- (g) does the Minister agree with former live exporter, Mr Geoff Davy, when he said that we must plan for the shutdown of the industry, which he thinks is inevitable;
- (h) if no to (g), why not;
- (i) is the Minister aware of meat eating trends in the countries that import live cattle from Australia;
- (j) if yes to (i), what are those trends;
- (k) is the Minister aware of any other factors can affect the consumption of live export cattle in importing countries;
- (l) if yes to (k), what are they;
- (m) if the Minister does not have an analysis of the long term future of the live cattle export industry, will the Minister commission such a report;
- (n) if no to (m), why not;
- (o) given the future of the live cattle export industry is uncertain, will the Minister consider removing the clause on pastoral leases which makes it compulsory to run cattle on them in order for other more sustainable industries to develop; and
- (p) if no to (o), why not?

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**Answer**

- (a) No, the Department of Primary Industries and Regional Development (DPIRD) has not done any analysis directly related to the long term future of the live cattle export industry.

(b) DPIRD has undertaken research to identify alternative market opportunities for the northern cattle industry to reduce reliance on the live export of cattle to Indonesia. The Department is also working with producers to support practice change and business model innovation, with a focus on improving genetics so that cattle bred in the north are more suited to the local processing sector.

(c) – (d) Not applicable.

(e) Yes, I am aware of a report commissioned by LiveCorp and Meat and Livestock Australia and completed by Mecardo in November 2018 titled “Value analysis of the Australian live cattle trade – key highlights”.

(f) This report estimates 40 to 57 per cent of the revenue generated by the live export value chain is retained by cattle farmers, but that it also sustains a raft of industry support services.

(g) We must always plan for a range of options for the industry.

(h) Seventy five percent of live exports of cattle are to Indonesia, Vietnam and Malaysia which means transit times are relatively short, and cattle from the north are already acclimatised to the environmental conditions that they will experience on board the vessel. However, the preference will always be for cattle to be slaughtered in Australia and exported as chilled or frozen product. This will ensure that maximum value is captured for the WA economy supporting jobs and regional development.

(i) Awareness of changing consumer demands is increasingly important in agriculture.

(j) Indonesia, for example, has one of the largest beef markets in Asia with total consumption forecast to grow nine per cent by 2022. This growth is due to the growth in middle-class consumers, rapid urbanisation and robust economic growth. Other countries in South East Asia are expecting similar growth in consumption of beef due to increased demand for nutritional and high quality food. (Source Meat and Livestock Australia Market Snapshots, Oct 2018). By 2027 beef consumption in Asia is expected to increase by 24 per cent over 2018 levels (Source OECD Agricultural Commodity Outlook 2018-2027).

(k) This question is too vague.

(l) Competition is intensifying with Indian buffalo meat growing its penetration and popularity, and self-sufficiency for beef is one of the Indonesian Government’s top priorities.

(m) We are constantly reviewing the changes in the industry.

(n) DPIRD works in close collaboration with industry groups such as the Kimberley Pilbara Cattleman’s Association, and if there is sufficient reason to conduct such analysis then this will be undertaken.

(o) A pastoral lease gives the right to a lessee to manage the land within the definition of pastoral purposes which includes the commercial grazing of authorised stock and other supplementary uses. However, the lessee must use methods of best pastoral and environmental management practice, appropriate to the area where the land is situated. In certain situations, destocking may be the best environmental outcome, subject to the satisfaction of the Pastoral Lands Board. Pastoral lessees may also apply to the Pastoral Lands Board for a permit for various activities outside pastoral purposes.

(p) The current phase of pastoral lands reform is focussed on the development of a suite of legislative, regulatory and policy measures to promote the sustainable management of pastoral lands and facilitate the opportunity for enhanced economic activity, long-term planning and investment. The opportunity to deliver greater security of tenure for pastoral lessees will be accompanied by a commitment to an enhanced compliance and monitoring regime. Alternative tenure options may be considered beyond this first phase.

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