SUBMISSION

SUBMISSION TO

SENATE STANDING COMMITTEE ON RURAL & REGIONAL AFFAIRS & TRANSPORT

IN RESPONSE TO

AN INVITATION TO PROVIDE A SUBMISSION TO THE INQUIRY ON BEEF IMPORTS INTO AUSTRALIA

April 2013

ABOUT THE AUSTRALIAN MEAT INDUSTRY COUNCIL

The red meat sector is Australia's No.1 agricultural enterprise and a significant contributor to the Australian economy representing over $16.2 billion in gross domestic product, or 1.3 per cent of total GDP and $7.6 billion in household income in 2010.

It also underpins more than 148,000 full-time jobs across all sectors of the economy. The red meat processing sector however faces growing internal and external challenges placing increased pressure on its long-term viability in an uncertain global marketplace.

The Australian Meat Industry Council (AMIC) is the recognised Peak Industry body in Australia representing the post-farm gate red meat sector including the export and domestic processing industry, smallgoods manufacturers, wholesalers, distributors, boning rooms and independent retail butchers.

90 per cent to 95 per cent of livestock turnoff in Australia is processed in businesses located in Australia. AMIC represents close to 2,500 member companies across Australia.

AMIC provides services and support to members that improves their working environment and is focused on achieving the best outcomes for the industry and its members as part of one voice on issues critical to their business. In doing this AMIC also indirectly supports the Australian farming community and the Australian economy.

SCIENCE-BASED INTERNATIONAL TRADE IS IN THE BEST INTERESTS OF EVERYBODY

1. INTRODUCTION

The Australian Meat Industry Council represents the red meat processing and export sector in Australia.

AMIC appeared at the Senate Inquiry on Beef Import Rules on 14 December 2009 because it supported the Government policy at the time of bringing Australian BSE certification rules into line with international standards. It continues to support that position. Why?

AMIC supports science-based international trading rules - Australia exported over 1.3 million tonnes of red meat products in 2012, over 65 per cent of our total production. The revenue from those exports underpins the Australian red meat industry as we know it. To maintain and grow market access for that product in over 100 countries we must continue to promote and adhere to science-based trading rules throughout the world. We can't argue for greater access globally if we don't apply those same science-based trading rules to imports as well.

Both sides of politics have accepted the need for Australia to bring its certification requirements in line with the international-based standards. Australia was the last major beef trading nation in the world in 2009 to do this. New Zealand did it three years earlier with none of the concerns expressed by some interests in Australia. We cannot support unscientific trade barriers covering imports but ask for different standards when we want to export.

What can industry do to ensure Australia's health and hygiene status is unchallenged? AMIC will advocate strongly that the companies and countries intending to export to Australia are given exactly the same level of interrogation, auditing and verification that is imposed on Australian exports. That equivalency includes:-

- Whole of life traceability consistent with the NLIS system.
- In-country systems audits including verification of the inspection/certifier, farm and abattoir to ensure the proposed standards and operating procedures are in place.
- A "user pays" system in countries interested in exporting to Australia to cover the costs of ensuring verification and validation systems operate effectively.

The knowledge and science around BSE has changed appreciably. The existing policy was implemented in 2001 when the knowledge of the disease was still limited. Today the unknowns of 2001 have been answered. Transmission has been clearly identified as being through the feeding of meat and bonemeal to bovine stock as a protein supplement. It is not transferred through red meat. The application of ruminant feed bans throughout the world has dramatically impacted the incidence of the disease and effectively eliminated it from further transmission.

Will Australia be inundated with imported beef? Over the last three years only two countries have exported fresh and frozen beef to Australia, New Zealand and Vanuatu.

Fresh and Frozen Beef and Veal Imports into Australia
(Tonnes Shipped Weight)

	2010	2011	2012
New Zealand	2555	3392	2946
Vanuatu	39	-	-
Total	**2594**	**3392**	**2946**

The Government policy on BSE certification that brought Australia into line with international standards has been in place now for three years. The countries affected by the decision have to this point not been competitive in the Australian market. However as our terms of trade continues to strengthen (now the strongest in almost 140 years), our currency will continue to appreciate and a time may come when some primals from specific international competitors who meet equivalent standards to those imposed on Australian beef exports, may be marketed in Australia.

Australian Meat Industry Council
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