

# South Australian Sheep Advisory Group

## Meeting Summary

Friday 25<sup>th</sup> November 2005

**NOTE: At the time of distribution, the Minister has not approved the outcomes listed in this document. Any misuse of information by individuals or associations will cause this service to be withdrawn.**

The meeting commenced at 9:40 am.

### 1. Welcome

The Chair welcomed all members and guests to the meeting and introduced the most recent group member and the permanent Executive Officer for the Livestock Advisory Groups.

### 2. Attendance

<i>Andrew McTaggart (Chair)</i>	<i>Sheep Industry Representative</i>
<i>Janet Hall</i>	<i>Sheep Industry Representative</i>
<i>Geoff Power</i>	<i>Sheep Industry Representative</i>
<i>John Symons</i>	<i>Sheep Industry Representative</i>
<i>Michael Pocock</i>	<i>Sheep Industry Representative</i>
<i>Ian Pfeiffer</i>	<i>SA Meat Sheep Societies Representative</i>
<i>Francis Andrews</i>	<i>SA Stud Merino Sheepbreeders' Association Representative</i>
<i>Neil Buchanan</i>	<i>Ministerial Representative</i>
<i>Trudi Goodwin</i>	<i>Executive Officer – Livestock Advisory Groups</i>

### Guests:

<i>Jack Van Wijk</i>	<i>Manager, Disease Control (PIRSA)</i>
<i>Andrew Curtis</i>	<i>Principal officer Sheep (PIRSA)</i>
<i>Jack Langberg</i>	<i>Principal Strategy Consultant (PIRSA)</i>
<i>Tim Woonton</i>	<i>Senior Animal Health Officer - NLIS (PIRSA)</i>
<i>Jack Reddin</i>	<i>OJD Program Manager (PIRSA)</i>
<i>Elena Petrenas</i>	<i>Manager, Livestock Advisory Groups (PIRSA)</i>

### 3. Apologies

<i>Greg Ingham</i>	<i>SAFF Sheep Industry Representative</i>
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### 4. Confirmation of SASAG Meeting Minutes – 23 September 2005

The minutes from the SASAG meeting held on 23<sup>rd</sup> September 2005 were accepted as a true and accurate record.

### 5. Matters arising from Minutes/Actions – 23 September 2005

Following tabling of the outgoing correspondence, members sought clarification on the progress of identifying alternative funding sources for the State's contribution to the OJD control program. In response, members were advised that potential sources within PIRSA and Treasury are being investigated and that they will be kept informed on the progress. SASAG members will keep their respective associations informed on the status of this issue.

## 6. Business

### 6.1 Sheep Industry Scorecard

The State's 'Food Scorecard' report was presented which measures how the food sector is tracking against the Food Plan's target of contributing \$15 billion to the State's economy by 2010 (which equates to approximately a 7.9% growth per annum).

Key notes from the presentation was that:

- The gross state food revenue in 2004-05 was \$9.16 billion dollars. The biggest contributors to this were retail trade (53% or \$4.8 billion), the food service sector (15% or \$1.4 billion) and processed exports (12% or \$1.1 billion). Compared to 2003/2004, decreased economic contributions were seen in commodity exports (\$300 – 400 million dollars) mainly due to lower grain volumes and high \$AUS, as well as a decrease in processed exports (\$100 million dollars) mainly due to problems in the seafood industry. Retail trade on the other hand is growing at around 7% per annum.
- An analysis by industry identified that the meat and livestock sector were, for the first time, the biggest contributor to the 2004/2005 gross food revenue (28% or \$2.500 million). This was closely followed by the grain sector (26% or \$2.414 million) and horticulture sector (20% or \$1.799 million). It is expected that the grain sector will resume number one position this year (2005/2006) as a result of the effect that the late 2005 rains had on increasing the grain crop.
- Gross revenue for the sheep industry, which equals commodity exports + processed exports + domestic consumption, was \$1,083 million dollars in 2004/2005. After taking into consideration total imports along the value chain, the net sheep revenue was \$945 million.

It was noted that interstate lamb imports were up by approximately 100,000 sheep and lambs from Western Australia in the first quarter of 2005/2006 compared to the same quarter last year.

- Along the sheep industry value chain, key contributors were:
  - \* Overseas processed meat exports – around \$270.75 million (lamb accounted for \$226 million of this);
  - \* Retail and service sector meat sales – around \$238.26 million (lamb accounted for \$175 million of this);
  - \* Interstate greasy wool exports – around \$173.28 million;
  - \* Interstate processed meat sales – around \$61.7 million (lamb accounted for 100% of this);
  - \* Interstate processed wool sales - around \$62.1 million; and
  - \* Processed wool exports - around \$67.6 million.
- Increases in gross revenue in 2004/2005 compared to 2003/2004 was seen in:
  - \* Interstate processed meat sales – up 60.3%;
  - \* Overseas processed meat sales – up 10%;
  - \* Interstate live sheep sales – up 9.3%;
  - \* Retail and service meat sales – up 4.3%; and
  - \* Interstate skin sales – up 2.3%.

In summary:

- gross revenue from the sheep industry in 2004-2005 was estimated at \$1.08 billion (up \$22 million from 2003-2004)
  - \* food - \$640 million (up \$67 million)
  - \* fibre - \$443 million (down \$45 million)
- processed sheep meat exports continue to rise;
- live sheep and wool exports continue to decline.

## 6.2 Sheep Industry Strategic Plan Update

An implementation committee under the Meat Industry Development Board has been appointed for the purpose of overseeing and liaising with both industry and PIRSA on the implementation of the Sheep Industry Strategic Plan. The chair of the committee is Ben Ryan.

The group has met four times to date. Issues progressed have included:

- developing a sheep industry map to improve industry understanding about contributors in the value chain. As part of this initiative, PIRSA programs (including extension activities, disease control; disease surveillance and R&D, have been mapped against the strategic plan;
- reviewing industry profitability and sustainability;
- developing industry targets for livestock production; and
- improving R&D and investment planning.

Partnerships have been developed with industry organisations (including MLA and AWI) and the State to assist in delivering strategic plan projects. A good example is the recently launched SheepPlus project funded by AWI and PIRSA. This project, which recently appointed an officer in the southeast, is designed to assist producers' work through issues that they identify about their properties or management systems. FarmBIS funding has been negotiated to support individuals and groups in the program. A similar scheme known as Best Prac is available for rangeland producers.

Outstanding issues still include:

- ensuring that South Australia has representation on national decision making groups;
- increasing industry communication and unification;
- reviewing resource options (ie attracting entrants to the sheep industry); and
- identifying alternative funding sources to implement strategic plan initiatives as it's recognised that there are insufficient industry and Government monies to undertake all of the Strategic Plans priorities.

## 6.3 MLA Livestock R & D Production Plan 2006-2011

The generic R&D goals under the MLA's new five year R&D "Livestock Production Plan 2006-11" for the red meat industries is to:

- Increase weaning rates by 5%;
- Decrease mortality rates by 20%;
- Reduce the age at slaughter by 10%;
- Increase meat eating quality by 5 consumer points;
- Reduce the cost of production by 5%;
- Increase target sustainable production practices by 30%;
- Increase the skills, knowledge and confidence of producers by 10%; and
- Measured improvement in food safety and animal welfare practices.

The specific focus for the lamb and sheepmeat industries is to improve producer profitability through:

- improved environmental and feed-base management strategies;
- improving animal productivity; and
- improving supply chain efficiency and product (meat quality).

A copy of the plan's objectives was distributed to members for information.

Australian Wool Innovations (AWI) is reviewing its R&D plan in light of decreasing revenue (ie \$35 to \$23 million). Key issues funded by AWI include mulesing mitigation activities and education initiatives (eg Novice Shearing DVD) designed to attract new entrants as shearers. The R&D plan will be released in the near future.

Due to SASAG being a consultative committee for the Sheep Industry Fund, (SIF), It was recommended that the group should take into consideration the directions outlined in the described R&D plans and the Sheep Industry Strategic Plan, when assessing project submissions.

## 6.4 OJD Update

### **Mycobacterium paratuberculosis International Conference - Copenhagen**

Members were informed of the following key points from the 8<sup>th</sup> ICP JD conference in Copenhagen during 2005 by Jack Reddin (OJD Program Manager):

- that the Guidar<sup>®</sup> JD vaccination of very young lambs (4 weeks) provides protective immunity;
- JD control programs need to operate for at least 20 years before any decrease in JD prevalence is observed; and
- that the abattoir surveillance test has a low degree of sensitivity (40%), but is very good at measuring long term trends and detecting/monitoring disease.

It's this last point which underlines why mainland South Australia needs to test at least 4,000 abattoir lines if it wants to identify disease and maintain its "Very Low Prevalence Area" status.

Conference strategies suggested to minimize the risk of JD included:

- close the herd/flock and take precautions when introducing new sources of stock;
- phase in flock based testing;
- farmer education is a high priority;
- encouraging risk assessments by certified vets;
- environmental sampling may be of assistance; and
- representation of all sectors in the implementation of any strategy.

All of the elements are included in the current NA OJD program. CZV is the company that holds the international monopoly for OJD vaccine. Other vaccine manufacturers are not interested in developing an improved vaccine because of the relatively small market for the product and the difficulties that have been incurred in producing a vaccine that does not provide a false positive result for TB testing (an issue in overseas markets where TB is present).

### **SA OJD Disease Control Program Update**

The success and support for SA's OJD program is as a result of:

- industry involvement in the development of the program and its ongoing review. This has been achieved through the establishment of regional community groups (three), the SA OJD Committee and SASAG; and
- the introduction of risk based trading arrangements, supported by the animal health statement (AHS). Market audits have revealed that within South Australia uptake of the use of the AHS has been very good, with nearly 100% compliance observed.

The level of OJD control achieved as a result of the last 7 years activities is too soon to tell. However evidence is suggesting that infected sheep are predominantly from interstate rather than homebred sheep. It was commented that the re-stocking of Southeast properties with NSW sheep following the 1983 bushfires may have contributed to a cluster of JD detections in the region and it is expected that the number of infected properties in the South East will remain at approximately 12 properties. In the last 12 months, Kangaroo Island experienced six new detections and the Southeast two. It was noted that the total number of South Australian OJD detections have declined slightly since 2001.

It was favourably noted that 1 million vaccine doses have been used since this option was introduced.

The OJD report included an update on the mid North deer problem. It is believed that the number of escaped deer at large within the Bundaleer forest is now below five deer. This was due to the employment of a shooter four deer were removed and local farmers eradicated a similar number.

It is expected that once the requirements under the Order have been met (most of the high risk breeding deer are to have been sold by 31 December 2005) the home property will be allowed to run 197 vaccinated low risk breeding does.

The potential spread of disease by feral deer in the South East, including JD is an ongoing concern.

### **National OJD Program Direction**

The outcome from the recent stakeholder meeting was to maintain the NAOJD program for the next five years, commencing as of 1<sup>st</sup> July 2006. The continuation of prevalence areas and abattoir surveillance was supported, as was the mandating of AHS for non-slaughter sheep transactions nationally.

SASAG were recommended that due to limitations in JD detection, South Australia should aim to control OJD and not attempt eradication. It should be remembered though that JD control would require at least a 20-year commitment which may be difficult to sustain given the low number of detections on mainland SA. Ongoing education across all industry sectors is important if industry wants to maintain this degree of OJD freedom.

## **6.5 NLIS Progress Report**

Ministerial support for the implementation of the NLIS (Sheep and Goat) program in South Australia on the 1<sup>st</sup> January 2006 was recently received. In order to obtain this approval, the NLIS (Sheep and Goat) Implementation Committee had to compromise and accept an interim exemption for lambs sold OTH – this exemption will be reviewed nationally in two years time and by South Australia in 12 months.

An NLIS brochure and covering letter promoting the program will be mailed to around 15,000 PICs next week. The letter provides useful information and affirms the joint partnership between PIRSA and the NLIS Implementation Committee. To promote uptake, a tag subsidy of 12 cents will be offered as of the 1<sup>st</sup> December 2005 for 2006 and 2007 year of birth colored tags and post breeder tags to a maximum of 6 million tags. Tags can be ordered from retailers at the subsidized price – tag manufacturers will then seek payment from PIRSA for the subsidized amount monthly.

Given SASAGs previous position about not accepting any exemptions from NLIS tagging, support for the amended NLIS (Sheep and Goat) program was sought.

The following recommendation was unanimously supported:

### **RECOMMENDATION**

**SASAG members' support the need for an interim exemption for OTH lambs for up to a 2-year period until 2008 in order for NLIS to be implemented nationally.**

Members were advised that funds from the Federal Government (total contributed for NLIS Sheep and Goats was \$3 million dollars) would be used to progress electronic sheep NLIS tags over the next couple of years.

## **6.6 SA Sheep Industry Outlook Conference 2006 Progress Report**

The Outlook Conference subcommittee met recently to progress the event. It was agreed that the conference would focus on "ready to use" applied R&D and economic/marketing information. It was felt that one-day was sufficient. As a central facility would improve attendance rates the committee has tentatively booked the SARDI Woolshed (West Beach) for either the 4<sup>th</sup> or 5<sup>th</sup> May 2006. An attendance rate of around 200 producers is being targeted.

Concern was raised about these dates because of their clash with the Broken Hill field day that is well supported by SA merino breeders. The subcommittee will meet next week to reconsider the forum date.

Support has already been received from SARDI, Elders, SheepPlus and the Sheep Industry Strategic Plan Implementation Group. Sheep CRC has been contacted about accessing some of their information that was tabled at the Orange field day.

It is expected that an Animal Health member will be assigned to organise the Outlook Conference. A convenor has been identified though not approached yet.

## **6.7 Curfew Project Update**

MLA has not progressed the project over the last 12 months, because it has been unable to conduct the preliminary literature review on similar initiatives conducted elsewhere. This lack of progress will be discussed with MLA as part of the scheduled meeting between MLA and the Sheep Industry Strategic Plan Implementation Committee on the 7<sup>th</sup> December 2005.

The aim of the project is to assess the impact of transportation on sheep welfare, meat eating quality and food safety. Given the activities by animal liberationists and the threat by WSPA (World Society for the Protection of Animals) to target long haul transportation of livestock in early 2006, the need to progress the project is imperative.

## **6.8 SASAG Industry Awareness**

Members were advised that it appears that the SA Lamb Development Team (SALDT) participants have limited knowledge of the role of SASAG and its activities. Solutions considered for increasing industry awareness about SASAG included:

- organising a meeting of industry group chairpersons to discuss how the groups could work together – representation would include SALDT, SASAG, Wool, British Breeds, SAFF and Merino Breeders;
- press releases;
- 2006 Outlook Conference; and
- MLA's Harvest Festival Conference.

## **6.9 SASAG - 2006 Meeting Dates**

The scheduled dates for SASAG meetings during 2006 are:

- Friday 24<sup>th</sup> Feb 2006
- Friday 26<sup>th</sup> May 2006
- Friday 25<sup>th</sup> August 2006
- Friday 24<sup>th</sup> November 2006

## **7. Other Business**

### **7.1 NRM Activities - South East Deer**

Members were advised that the tagging of deer and the prevention of their escape is an NRM issue. In the Southeast a committee representing the NRM, deer industry and PIRSA met recently to discuss the NRM's intent to conduct a fence audit of all deer properties in the State. It is expected that this audit will be completed by the end of 2006. A potential exists to suspended deer registrations for substantial breaches in fencing requirements.

## **8. Next Meeting**

The next meeting is scheduled for **Friday 24<sup>th</sup> February 2005** from 9:30am – 4:00pm in the Seminar Room, Level 1, Primary Industries and Resources SA, 33 Flemington St, Glenside.

Meeting closed at 3:37