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## NATIONAL PRESIDENT'S REPORT 2010 - 2011

### Deer Industry Association of Australia Annual Reports

The year in review-

\*Firstly levies. The Minister for Agriculture, Fisheries and Forestry (DAFF), Senator Joe Ludwig, agreed to our submission and approved a reduction in levies that took effect on the 1st October 2011. The venison levy is now 8 cents/ kg hot standard carcase weight (from 10.5c/kg), the velvet levy 1% of sale price (from 3.5%), deer velvet export price 1% of sale value (on velvet not previously levied-down from 3.5%) and the live export levy \$5.00 per head (from \$7.50).

\*Currently the venison levy is split evenly between the Rural Industries Research and Development Corporation (RIRDC) and the National Residue Survey (NRS). A further request was made in our submission to the minister to re-apportion the levy- 2c/kg to RIRDC and 6c/kg to the NRS - to ensure our ability to fund our participation in the NRS, and thus continued access to European and other markets.

This required an amendment to the National Residue Survey (Excise) levy Act 1998 being passed by both houses of Federal Parliament. We now await "royal assent" and amendment to the relevant regulations which should be completed in March 2012.

\*In September, I attended a forum on the model draft regulations for the Land Transport (of livestock) Standards (LTS). States vary in the way they will enact the LTS but it is hoped that states will synchronise the release of regulations and that they will be in place in early 2012. The DIAA has contributed to the formulation of the LTS.

\*In November I attended a consultative meeting, hosted by DAFF, to discuss issues raised by the Productivity Commission's (PC) Report on rural research and development corporations.

One issue of particular interest to the deer industry is the PC's recommendation that the Primary Industries and Energy Research and Development Act 1989 (PIERD Act) be amended to allow statutory rural development corporations to add marketing to their functions-if supported by the majority of levy payers, and has the approval of the minister for DAFF. It was noted that "there can be considerable synergies between R&D and understanding and meeting market needs, as well as administrative savings from combining R&D and marketing roles in a single body."

A letter has been sent to the Chairperson of RIRDC, Professor Daniela Stehlik, asking for their strong support for such an amendment. If successful, the deer industry would then have to decide on the balance between R&D and marketing, noting that the federal government has agreed to continue matching industry levies spent on R&D but would not match levy money spent on marketing.

\*In early December, VP Milton Stevens (representing the Buffalo Industry) and I participated in a working group, organised by Food Safe Australia and New Zealand (FSANZ), to assist FSANZ to evaluate food safety management in the minor meat species and wild game as they develop a draft national standard for the hygienic production and transportation of meat and meat products for this section of the meat industry (Proposal P1014).

This will be compared with the draft meat standard for the major meat species (P1015) and any gaps or inconsistencies identified.

FSANZ is required to identify and determine cost of impacts to industry, government and consumers resulting from these regulations! We will try to ensure that this cost-benefit analysis will not show benefit to everyone else, with the costs borne by the producer.

\*In late November PrimeSafe Victoria withdrew the deer slaughtering licence from a Victorian regional abattoir where deer were being shot in an enclosed delivery vehicle and then carried inside to the chain. This practice has continued without incident for many years. This canceling of licence, because the deer were not restrained, closely followed an act of animal cruelty (not involving deer) in another regional Victorian abattoir which was immediately shut down, generating a wealth of media attention.

All animal industries are attracting the attention of animal rights/welfare groups and this highlights the prime importance of animal welfare in all aspects of our industry.

\*On the 1st October 2011, DAFF introduced the new AQIS Export Meat Fee Schedule to underpin the introduction of the Australian Export Meat Inspection System (AEMIS). At the same time a government inspection charge rebate was abolished. This has inevitably led to an increase in the AQIS inspection fee at deer export abattoirs. Cost per head is dependent on numbers processed but, as an example, one processor informed me that, to kill and bone 70 - 100kg red deer (or 120 fallow) the previous AQIS inspection charge was \$600. It is now \$1700!! He is carrying some of the increase but has had to reduce the return to the grower by 20cents/kg HSCW. I am told the MAF inspection fee in New Zealand is \$10.75 per head- less than half that in Australia.

I am in contact with DAFF and shall report further on this important matter at the AGM.

\*Deer velvet antler slices and powder have been approved by the Therapeutic Goods Administration (TGA) as active ingredients in listed medicines and can now be included in the Australian Register of Therapeutic Goods. The application for registration came from New Zealand, with the knowledge and support of the DIAA, presuming that it would be a generic product. However, without our knowledge, the application and subsequent approval restricted the registered product to that obtained from stags that have been born and raised in New Zealand. The DIAA is working to redress this blatant off-side play.

\*The DIAA contributed to the Independent Livestock Export Review conducted by Mr. Bill Farmer AO. This review followed the exposure of the horrific treatment of cattle in some Indonesian abattoirs which resulted in a justified outcry in Australia. The government is putting in place new rules for live export and will review the Australian Standards for the Export of Livestock (ASEL) by 28th February 2013. The AESL covers all aspects of live export from on farm preparation to on-board management. In light of the Indonesian experience, Australian exporters must make themselves aware of the likely handling, treatment and management practices of deer in importing countries.

\*In 2011 the Australian Veterinary Association (AVA) reviewed a number of their policies including that relating to deer farming. With a contribution from Dr Tony English, a submission was sent to the AVA by Dr Sue Joubert, Chair of the National Velvet Accreditation Scheme, requesting a continuation of the current policy of support for deer farming. I have been informed that Sue's submission was well received and appreciated by the AVA board and that, with an update and several minor changes, the AVA policy of support for our industry will continue until next review in 3-5 years.

For you to gauge the state of the deer industry in Australia, I have presented some figures, in the table below.

The LMU has reported that, in the first 6 months of this financial year, levies were collected on 105 tonnes of venison from 2775 deer, and 766kg of velvet.

DIAA membership stands at 79.

	2007-08	2008-2009	2009-2010	2010-
2011				
Deer slaughtered Australia*	15,496	12,705	11,101	6,888
Velvet production* (tonnes)	12.0	17.5	8.1	14.0
Deer slaughter Victoria**	8,646	4,412	3,568	2,246
DIAA membership	93	87	77	85
Venison Australia *(tonnes)	576	498	409	288

\*Provided by the Levies Management Unit (LMU) ie. the total number of deer carcasses on which levies were collected.

\*\*PrimeSafe Victoria report.

In summary, deer slaughter has fallen dramatically, velvet production remains relatively stable, and DIAA membership has fallen marginally. Importantly, the fall in venison production is not due to falling demand, but entirely due to shortage of animals for slaughter. Processors are not able to meet demand for venison, from both domestic and export markets.

Being an optimist, my hope is that the high slaughter figures of recent years reflected hind slaughter and herd reductions, and that this has now ceased and hinds are being held for breeding. Livestock Health and Pest Authority stock returns for 2010-11 show that deer numbers in NSW are back above 2007-08 levels.

What can we do? The seasons have become friendly and feed is abundant. There is a strong demand for venison, a shortage of slaughter stock and the venison price is stable and higher than it has been for years. We all have a role in the survival and development of the deer farming industry. Expand your herds, promote our product.

I shall leave velvet price commentary and market predictions to the Australian Deer Horn Annual Report. If you are a levy payer and not a member, I encourage you join the DIAA. There is much to be done and the DIAA needs your membership to enable it to present a united, representative front to government.

Thanks are due to the directors of the DIAA for their contribution to our industry, and especially to our new secretary, Marika McKinnon, who has smoothly and efficiently taken over the reins of office from the once-thought-indispensable Solange Shapiro. Thanks also to Solange for her continuing advice and sharing of her wealth of accumulated DIAA knowledge.

And of course thanks to Andy Cowan for his invaluable work producing the Australian Deer Farming.

Andrew Hansen  
President, DIAA