

PRESS ARTICLE

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OKA BUDHI

Workers at the PT Agrisatwa abattoir at Legok south of Jakarta

PETER ALFORD
JAKARTA CORRESPONDENT

FIVE months ago, a big Indonesian feedlot company briefly lost track of three Australian steers, and the consequences show the change the Indonesian live cattle trade has undergone in a year.

The trade now is half the size it was before the *Four Corners* report on abattoir cruelty last June, and Indonesian is determined to reduce it further, putting many Top End pastoralists on their knees.

The Department of Agriculture, Fisheries and Forests has dictated animal welfare safeguards for Australian cattle in Indonesia that are more rigorous than the ones it applies at home. For instance, in domestic supply chain assurance, the mandatory paddock-to-slaughterhouse monitoring system, there’s a 3 per cent tolerance of missing radio frequency identification (RFID) ear tags, but for Indonesia-bound cattle there is none.

In the now intensely monitored transition from the Top End to the Indonesian market, a feedlot manager found three fewer steers than he had sent to a customer. Within three hours, the importer, who buys cattle from shipper Wellard Rural Exports to fatten for accredited abattoirs, had solved the mystery using the RFID tags and the company’s internal tracking system.

At a butchery near the abattoir, staff found two fresh carcasses, one steer waiting and three sets of tags. Even before Wellard’s Southeast Asia marketing manager Scot Braithwaite informed DAFF, the abattoir was cut from the supply system Australia imposed as a condition of resuming the live trade last August.

In doing so, the importer wrote off his \$120,000 investment in upgrading the abattoir to Australian export standard.

That included stunning equipment — over and above the DAFF requirements but now stipulated by most shippers and feedlots.

“The abattoir guys now understand that if they go outside the system they are basically cut off,” said Mr Braithwaite, who didn’t go

unscathed either. Although Wellard was two steps removed and had shipped 120,000 cattle without failure since last August, DAFF notified a breach of the supply chain assurance system.

One more of those and Australia’s biggest livestock shipper could lose its export licence for Indonesia.

“What we and the importer did was show the system worked,” Mr Braithwaite said indignantly.

But the system imposed by Agriculture Minister Joe Ludwig following the cruelty uproar, holds exporters responsible for breaches further up the chain.

They and the feedlot companies know Australian public and political reaction to another scandal would destroy the trade.

So, as with the case of stunning, strongly resisted by Muslim conservatives, they have forced change on their industry.

Some operators such as PT Agrisatwa, at Legok south of Jakarta, have built new abattoirs and feedlots. “We made 10 years of change in six months,” said Dayan Antoni, business development head at PT Santosa Agrindo, the biggest feedlot company.

In the middle of Ramadan, the season of peak beef demand, Jakarta is experiencing severe retail shortages and price rises.

The importers warn that unless this year’s quota, 283,000 head, is extended there just won’t be any imported cattle available in six months.

Jolted by Mr Ludwig’s ban into pursuing its objective of beef self-sufficiency, the Indonesian government has slashed cattle and beef quotas, imposed a 5 per cent import duty and dusted off old regulations to stifle the trade.

It has mandated 80 per cent local beef supply by December and 90 per cent by 2014.

The feedlot companies say that cannot work, even by supplementing Indonesia’s 14.8 million cattle with imported breeders.

Even the industry people predicting supply and demand will break the quota system don’t see that happening before the 2014 national elections.