

MEDIA RELEASE

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Aussie red meat flies high to global customers

Australia's red meat and livestock industry has welcomed the appointment of an International Freight Coordinator General and a \$110 million dollar promise by the Australian government to fly Aussie red meat first class to customers around the world.

All bodies in Australia's 80,000 business strong red meat and livestock supply chain have welcomed the International Freight Assistance Mechanism designed at servicing high end protein markets as public health measures are rolled out globally in the fight against COVID-19.

Red Meat Advisory Council (RMAC) Independent Chair Don Mackay said it was crucial new and innovative approaches to supply chain management are introduced to ensure agrifood export demand is met as a pillar of the Australian economy.

"We welcome the announcement by Minister Birmingham, Minister Littleproud, Minister McCormack and Assistant Minister Duniam."

"Continuity and affordability of air export capacity to our valued and high-end export markets in China, Japan, Hong Kong, Singapore and the UAE is critical."

"We congratulate Mr Michael Byrne on his appointment to the role International Freight Coordinator General as a commercially driven touchpoint to move our air freight supply chains forward."

"High value air freight channels are an important part of ensuring profitability and diversity of markets for everyone in the supply chain from the exporters back to the producer. We thank the government for providing this service which will be openly competitive for all exporters of high quality, high value Aussie red meat."

Comments from the Australian red meat and livestock industry

All supply chain subsectors have joined in congratulating the Australian government on the freight package.

Australian Live Exporters Council CEO Mark Harvey Sutton said "Our supply chains are crucial for both Australian and global food security. Measures such as this recognise our responsibility as a nation a nation to supply the highest quality produce both domestically and internationally. Livestock exports are shaping as a key component of our trading partners food security and we welcome measures that will deliver consistency in our freight systems and fulfil our global responsibilities."

Australian Lot Feeders Association President Bryce Camm said "The continued ability for our meat processors and exporters to deliver high quality Australian grain fed beef to our customers provides feedlot operators confidence to keep cattle on feed. The Australian Government's efforts in assisting business continuity is applauded by the feedlot industry."

Australian Meat Industry Council Chairman Gary Hardwick said "The Australian Meat Industry Council greatly appreciates of the work undertaken by Minister Birmingham and his team on this important

outcome. His commitment to export during this unprecedented time ensures that our members continue to access markets to underpin their businesses. His team’s continued work with AMIC ensures this process.”

Cattle Council of Australia CEO Travis Tobin said keeping a diversity of markets would make sure red meat producers were viable during the COVID-19 outbreak “We send 73 per cent of our beef overseas – those markets are the reason cattle producers can make a profit. This means farmers can afford to produce high-quality red meat for customers at home and overseas. This initiative will also help keep the economy going in rural communities and keep locals in work.”

Sheep Producers Australia Chair Chris Mirams said “This announcement is of critical importance for Australia’s sheepmeat producers, who supply high value sheepmeat product globally, but especially to the Middle East which is around one fifth or 20 per cent of our total exports. It is not only vital for Australia’s exports, but provides food security or our trading partners.”

The red meat and livestock industry representative bodies are: Australian Meat Industry Council (AMIC), Australian Live Exporters Council (ALEC), Australian Lot Feeders’ Association (ALFA), Cattle Council of Australia (CCA), Goat Industry Council of Australia (GICA) and Sheep Producers Australia (SPA), which collectively form the Red Meat Advisory Council (RMAC).

Background Information

- COVID-19 has presented significant logistical challenges for airfreight of Australian meat and livestock with limited outbound aircraft resulting in significant increases to airfreight charges
- Australia’s largest red meat (beef, sheepmeat, goat) market is the Australian domestic market which represents 30pc of all red meat produced, with the balance exported to over 100 markets
- Meat and meat products exported by air freight are in general high value chilled products that are different products to the popular cuts and dishes preferred by Australian consumers
- In 2019 alone the value of the export receipts for meat and livestock air freight was worth in excess of AU\$1.2billion

Historical value of the Australian red meat and livestock industry (Source: MLA Market Insights)

Value of Air Freight	Beef	Cattle	Sheep	Sheepmeat
2016	\$ 427,857,861	\$ 10,637,054	\$ 16,597,968	\$ 431,500,382
2017	\$ 448,807,869	\$ 21,383,977	\$ 8,567,725	\$ 485,144,950
2018	\$ 525,798,528	\$ 19,780,418	\$ 5,720,191	\$ 602,562,118
2019	\$ 600,742,096	\$ 21,942,804	\$ 8,569,576	\$ 582,706,692

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