

Regional Infrastructure Development Fund National Livestock Identification Scheme

Implementation of the National Livestock Identification Scheme in Victorian Saleyards

Through the Regional Infrastructure Development Fund (RIDF), the Victorian Government provided \$500,000 for the implementation of the National Livestock Identification Scheme (NLIS) in Victorian Saleyards (the Program).

The NLIS is Australia's system for identifying and tracking beef and dairy cattle. Victoria is leading the way in NLIS implementation to ensure that consumers maintain confidence in the quality and safety of Victorian beef and dairy products.

As stock movement through saleyards in Victoria is significant, saleyard participation in the NLIS was crucial to the success of the Program.



Under the NLIS Saleyard Program, the Government provided a grant equal to 50% of the cost of installing NLIS equipment in Victorian saleyards, to a maximum of \$60,000.

Twenty Victorian saleyards participated in the NLIS Saleyard Program, installing a variety of NLIS equipment to meet their individual needs. All 20 saleyards were council-owned facilities.

The Program was administered through a partnership between Regional Development Victoria (RDV) and the Livestock Saleyard Association of Victoria (LSAV).

The Department of Primary Industries also supported the implementation of the NLIS Saleyard Program.

The five core objectives of the NLIS Saleyard Program were to:

1. **Ensure that Victorian exporters retained access to major beef and dairy export markets, who were increasingly demanding that cattle be fully traceable from “paddock to plate”;**
2. **Improve export opportunities of the Victorian meat and dairy industry;**
3. **Enable Government agencies and Industry to respond quickly and effectively to future food safety incidents and livestock disease emergencies;**
4. **Enable export-focused saleyards to provide new and improved services;**
and
5. **Enhance arrangements for preventing stock theft and identifying stolen cattle.**

Evaluation – Implementation of the National Livestock Identification Scheme in Victorian Saleyards

As part of its commitment to review and report on the effectiveness and outcomes of the RIDF, in 2005 RDV undertook an evaluation of the NLIS Saleyard Program. The evaluation included interviews and surveys with participating saleyard operators and interviews with key stakeholders.

In considering the results outlined below, it should be noted that the NLIS Saleyard Program is part of a larger Government initiative to implement the NLIS across all components of the Victorian cattle industry, including producers, sellers and processors.

Further, there are a number of externalities that impact significantly on the achievement of objectives of the NLIS Saleyard Program, which in some instances have made it difficult to isolate the specific impact of the Program.

The results of the evaluation are summarised below.

Program Benefits

Early scanning of cattle at saleyards

The Program resulted in early scanning of cattle at saleyards:

An immediate and direct result of the NLIS Saleyard Program and injection of Government funding was the bringing forward of the implementation of the NLIS in Victorian saleyards by one year. As a result, any benefits accruing to the State as a result of NLIS implementation were also brought forward by a year.

Access to major beef and dairy export markets

The NLIS ensures that Victorian exporters retained access to major beef and dairy export markets:

- Implementation of NLIS will assist in protecting Victorian cattle from domestic and international bio-security problems and animal disease, allowing the industry to remain active by quickly tracing and isolating individual diseased animals.

- Saleyard operators ranked this objective of the NLIS Saleyard Program as extremely important.
- 95% of saleyard operators believed that NLIS implementation enable saleyards to support industry whole of life tracing of cattle.
- This identification and traceability capability was demonstrated in late 2004 by an audit of the NLIS system, involving the tracing of nine NLIS tagged Victoria cattle back to their property of birth. The audit resulted in all nine cattle being traced within 24 hours, eight on the morning of the exercise.



Improving the reputation of Victorian exporters

The implementation of NLIS at saleyards improves the reputation of Victorian exporters:

- Overseas delegations assessing the Australian export industry have made regular visits to Victorian saleyards to view NLIS technology, with positive feedback.
- While buyers have visited saleyards, there is no easily quantifiable evidence that NLIS scanning of itself has increased export sales volumes through Victorian Saleyards.
- Changes in export patterns are more likely to be apparent via processors.

Quicker response to food safety incidents and livestock disease emergencies

NLIS will enable Government Agencies and Industry to respond quickly and effectively to future food safety incidents and livestock disease emergencies:

- NLIS implementation will assist Government agencies to respond quickly to future food safety or disease incidents.
- Saleyard operators ranked this objective of the NLIS Saleyard Program as the most important.
- This ability to respond quickly was demonstrated in late 2004 by an audit of the NLIS system, involving the tracing of nine NLIS tagged Victoria cattle back to their property of birth. The audit resulted in all nine cattle being traced within 24 hours, eight on the morning of the exercise.

Enabling new and improved services

Saleyards have begun to offer new and improved services with their NLIS technology:

- A number of saleyards have used their NLIS equipment to introduce new and improved services, such as scanning of private sales, tag replacement, provision of buyer-sale summaries and other new reports and contract quick scan weighing.
- The provision of new and improved services will assist Victorian saleyards to remain competitive.
- 45% of saleyard operators believed that NLIS technology would improve the viability of their saleyard.
- While NLIS equipment provides potential to improve services and viability, a number of saleyards have yet to realise these value-adding opportunities and have not yet implemented new or improved services.
- It is expected that further potential for value adding will be realised over time.

Preventing stock theft and improving recovery

NLIS technology assists saleyards to prevent stock theft and identify stolen cattle:

- Implementation of NLIS will assist in preventing stock theft and identifying stolen cattle.
- Ninety percent of saleyard operators believed that NLIS implementation improved the reliability of saleyard cattle identification.
- Eighty percent of saleyard operators believed that NLIS scanning helps to prevent stock theft.

Conclusion

It has been demonstrated that NLIS is important in identifying and tracing cattle, preventing stock theft and enabling saleyards to offer new and improved services.

While difficult to quantify, it is also clear that Victoria's early implementation of NLIS has had a positive impact for the reputation of Victorian export producers.

It was also noted in the evaluation that implementation of the NLIS by Victorian saleyards had required additional resources. Only 15% of saleyards believed that they could have financed the required infrastructure without Government assistance.

Broadly, the attitudes of saleyard operators during the evaluation was that they were willing to implement NLIS technology, but not enthusiastic.

Given the early stage of implementation and potential benefits of NLIS systems, further evaluation in future years could identify a more positive attitude and broader utilisation of NLIS technology.