

2011-12 Livestock Sector ScoreCard and Production Trends

Overview

The livestock-related food industries account for over one third of all food revenue in Tasmania, with net revenue of \$1.49 billion.

The ScoreCard is a good way of measuring the value from the farm to the factory and to the point of sale. As illustrated in the following table the livestock industry is an aggregation of a number of industry activities with many products and markets. More detail on the Scorecard methodology and reporting can be found in the 'Tasmanian Food and Beverage Industry ScoreCard' that is referred to in this report.

Dairy

Dairy is the most valuable livestock-related industry in Tasmania, contributing \$668.8 million. The dairy sector has experienced considerable growth since the first Scorecard in 2004-05 reported dairy revenue of \$338.7 million. Dairy's contribution to total livestock-related revenue over that time has grown from 32 per cent to almost 48 per cent, and its development alone accounts for all growth in the livestock-related industries since 2004-05.

It is anticipated that, with increases in Tasmanian milk processing capacity in 2012 and the ongoing expansion of the sector, dairy's contribution will experience further growth in the coming financial years.

More detail on the dairy sector is provided in the 'Dairy Sector ScoreCard and Production Trends' report.

Meat

The value of beef and sheep meat in 2011-12 were both at the lowest levels recorded since the Scorecard's inception. Beef's contribution has varied over time, but fell to \$345.0 million in 2011-12. Sheep meat has experienced less volatility. The net revenue of sheep meat

and livestock sales was \$ 130.3 million in 2011-12.

By contrast, the value of chicken meat to the Tasmanian economy has more than doubled since the 2004-05 Scorecard, increasing from \$41.7 million to \$96.2 million. Revenue from chicken meat has also experienced almost uninterrupted growth. This may reflect domestic consumption patterns that have seen dramatic falls in red meat consumption, substituted primarily by poultry and seafood.

Internationally, beef and dairy are the only two livestock-related food products that are significant in terms of overseas exports from Tasmania, accounting for \$122 million and \$103.2 million respectively. Livestock-related food exports accounted for approximately 46 per cent of Tasmania's total food exports. In interstate trade, dairy is the only significant livestock-related category, accounting for \$355 million or almost 20 per cent of total interstate trade.

Red Meat

Beef cattle and dairy cow numbers have remained fairly stable over the past 15 years (at around 500,000 and 150,000 head, respectively). In contrast, sheep numbers in Tasmania reduced sharply during the late 1990s and early 2000s. Sheep numbers stabilised in 2006-07, and have been increasing again since 2009-10.

Disposal statistics demonstrate that cattle disposals from Tasmania are almost exclusively by slaughter, with interstate export of live cattle decreasing to negligible figures. However, a significant proportion of Tasmanian sheep are regularly shipped interstate for slaughter. There are no live international exports of cattle or sheep directly from Tasmania.

Tasmanian pig meat production has reduced significantly in the past two

decades. The pig herd is now approximately one third of its size in 1995, and pork production have been similarly reduced from heights in the early 1990s of approximately 6,000 tonnes per annum, to around 2,000 tonnes in 2011-12. In 2011-12, the contribution of the pig meat industry to Tasmania's economy was the highest since Scorecard reporting commenced (\$123.3 million), but has previously been relatively stable at \$100 - \$115 million.

Honey

Although Tasmania's honey industry is small when compared to the mainland Australian states, Tasmanian honey producers have traditionally received the highest prices in Australia for their honey.

This is primarily due to the premium varieties Tasmania can produce, such as Manuka and Leatherwood Honey. Many of Tasmania's larger honey producers also have organic certification, which results in higher per kilogram prices, especially in overseas markets.

The value of honey has increased from \$6.9 million in the first Scorecard in 2004-05, to \$8.9 million in 2011-12. Honey production increased by 240 tonnes in that period.

Wool

Wool revenue in Tasmania in 2011-12 was \$95.9 million, with wool worth \$73.1 million heading interstate and \$22.8 million exported.

Wool revenue in Tasmania has recently increased due to some improvement in returns, but the gross value of production is still well below that of the 1980s when the reserve price scheme encouraged significant flock expansion. Production hit its lowest point in 2009-10, and has since only marginally increased.

As no processing of wool occurs in Tasmania, all revenue is due to its value at the farm gate.

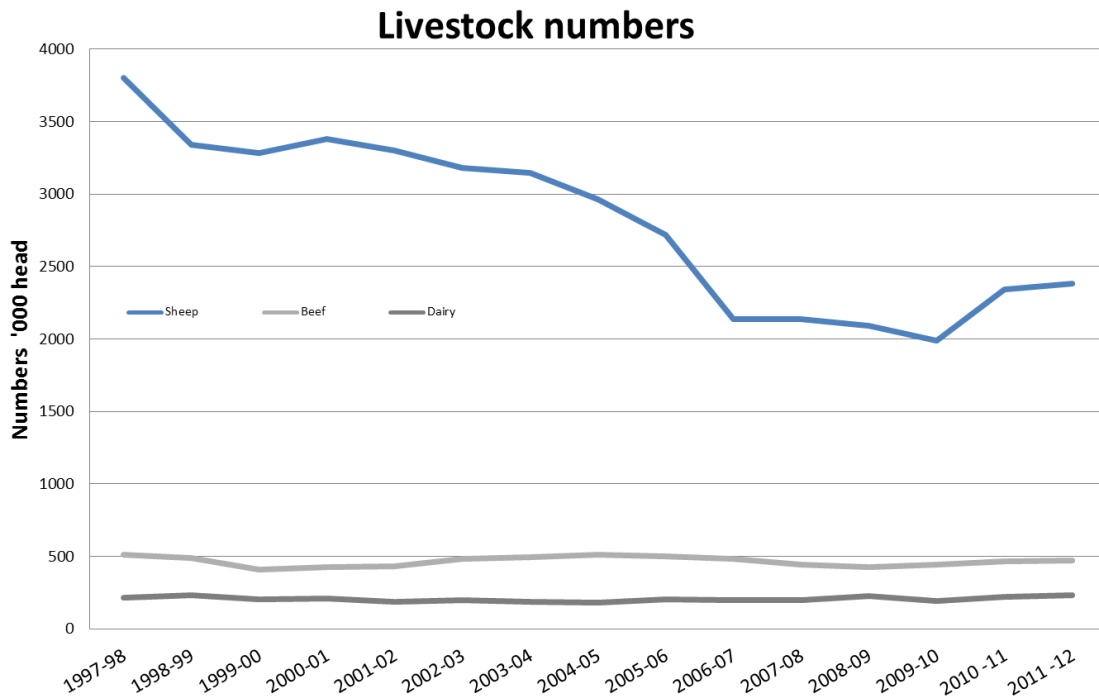
Time series

A time series of charts for key industry indicators follows. These are largely self-explanatory.

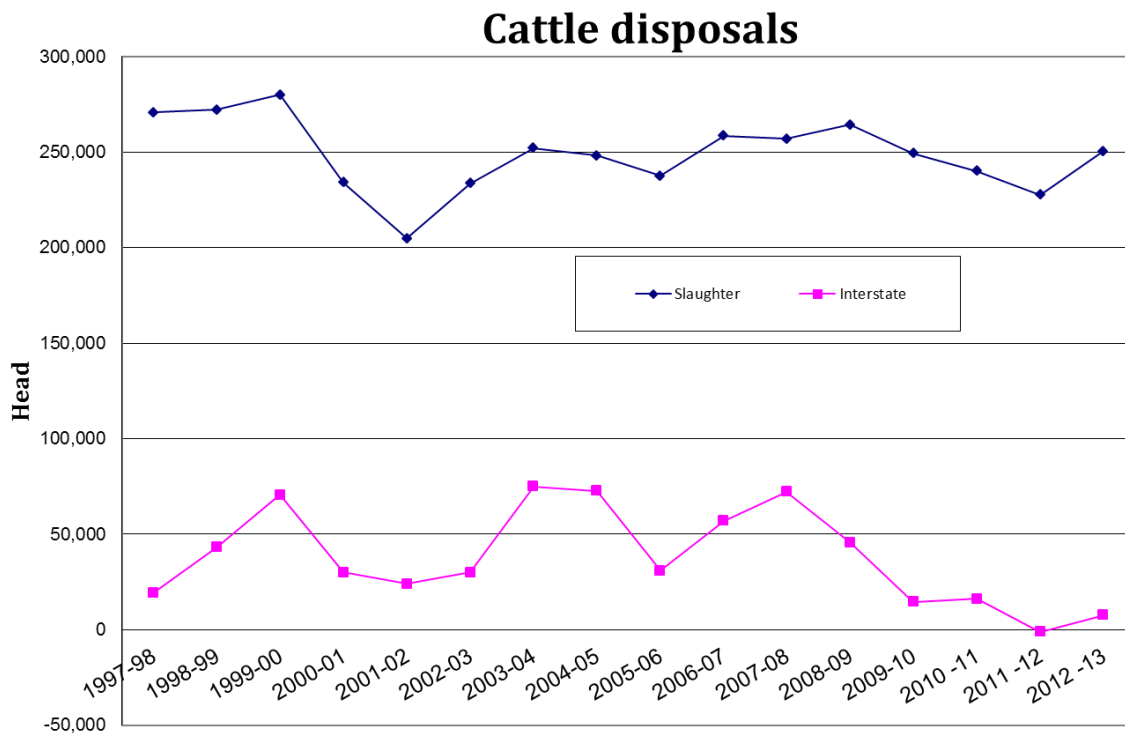
Livestock Sector ScoreCard – 2011-12

Sector	Farm Gate Food value	Farm Gate Value	Commodity Exports (FOB)	Commodity Imports	Interstate Commodity Exports	Interstate Commodity Imports	Processed Value	Overseas Processed Exports	Overseas Processed Imports	Interstate Processed Exports	Interstate Processed Imports	Gross Retail Sales	Service Sales	Net Revenue	Gross Revenue
	\$m.	\$m.	\$m.	\$m.	\$m.	\$m.	\$m.	\$m.	\$m.	\$m.	\$m.	\$m.	\$m.	\$m.	\$m.
Livestock															
Beef	176.3	188.2	0.0	0.0	3.1	4.8	270.5	122.0	0.0	16.3	0.0	175.4	33.0	345.0	349.8
Sheep	52.2	64.3	0.0	0.0	23.9	0.6	64.3	13.9	0.0	24.1	0.0	64.7	4.3	130.3	130.9
Pork	6.5	6.5	0.0	0.0	0.0	0.0	6.9	0.0	0.0	0.0	34.0	127.8	29.5	123.3	157.3
Chicken Meat	20.4	20.4	0.0	0.0	0.0	0.0	33.7	0.0	0.0	0.0	35.6	102.6	29.1	96.2	131.8
Eggs	12.6	12.6	0.0	0.0	0.0	0.0	10.3	0.0	0.0	0.0	6.7	30.9	0.0	24.2	30.9
Honey	4.2	4.3	0.0	0.0	0.0	0.0	7.7	1.6	0.0	4.2	0.0	2.8	0.2	8.8	8.8
Wool	0.0	95.9	22.8		73.1				0.0					95.9	95.9
Total	272.2	392.2	22.8	0.0	100.1	5.4	393.5	137.5	0.0	44.7	76.3	504.2	96.1	823.6	905.4
Dairy	314.5	314.5	0.0	0.0	0.0	0.0	443.6	103.2	0.0	354.9	0.0	206.5	4.2	668.8	668.8
Total Livestock	586.7	706.6	22.8	0.0	100.1	5.4	837.1	240.7	0.0	399.6	76.3	710.7	100.3	1,492.4	1,574.2

Sources: DPIPWE, Tasmanian Food and Beverage Industry ScoreCard; ABS Cat. No. 7503.0 Value of Agricultural Commodities Produced

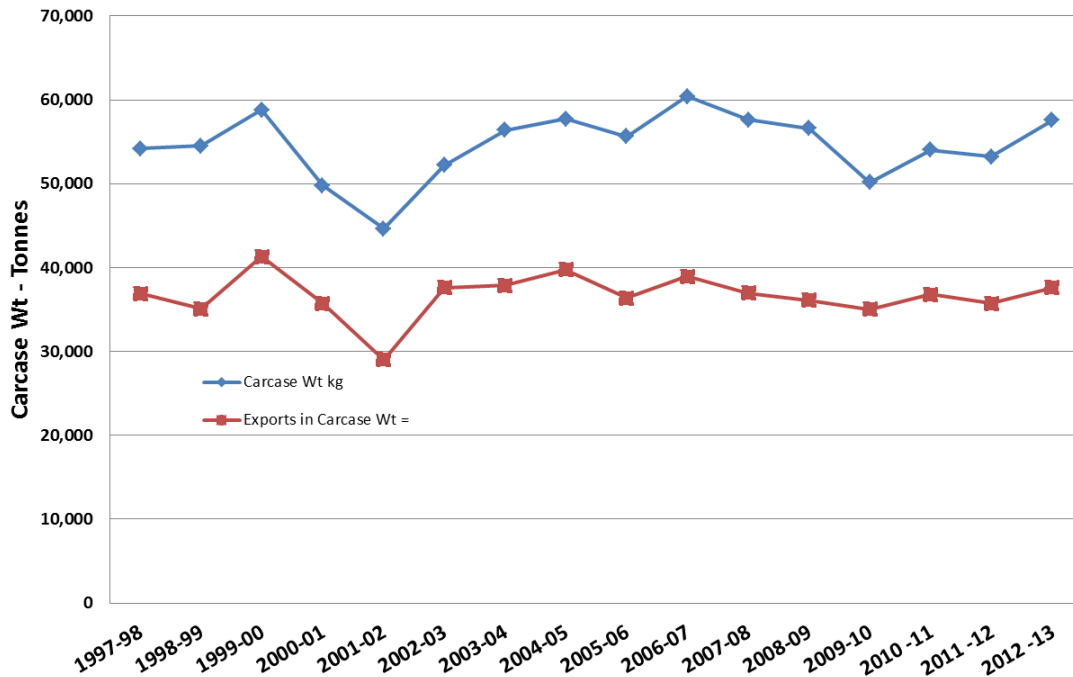


Source: ABARES, Agricultural Commodity Statistics 2012



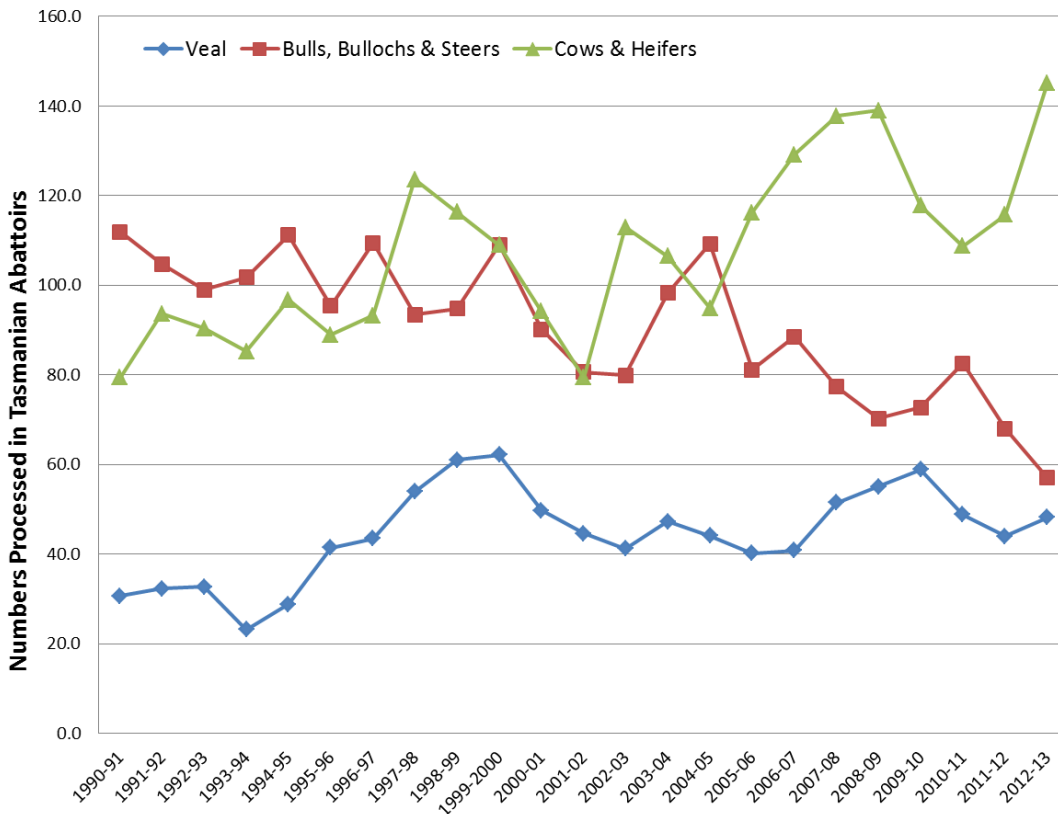
Source: ABS, Livestock – Number Slaughtered and Meat Produced, Tasmania; DPIPWE, National Livestock Identification Scheme data

Beef Processed in Tasmanian abattoirs



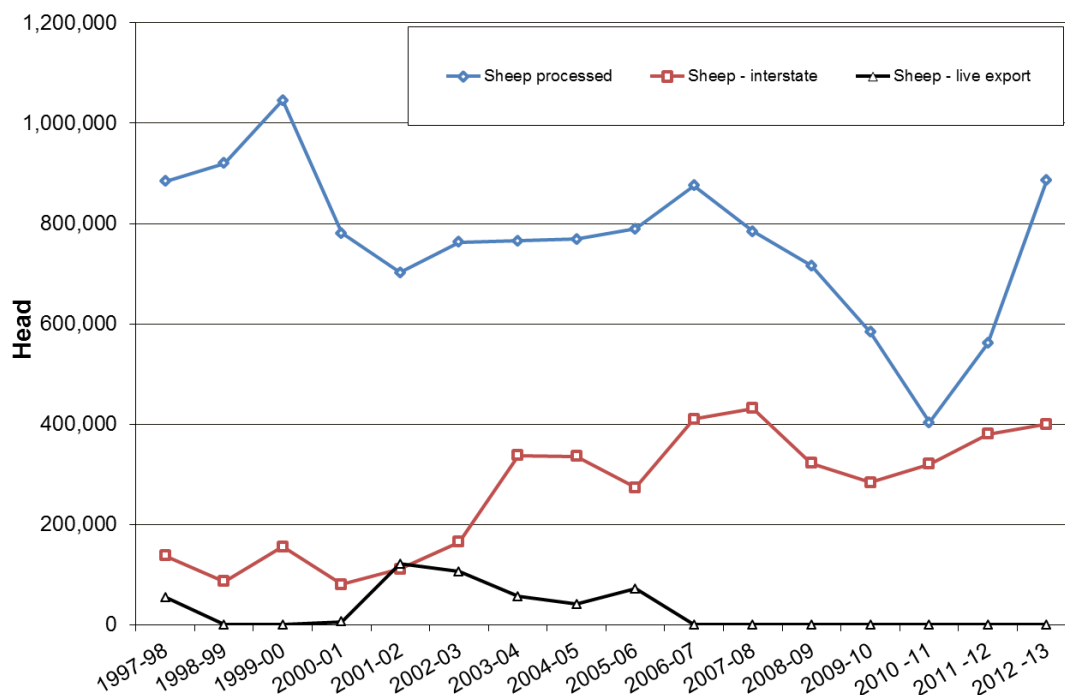
Sources: ABS, Livestock – Number Slaughtered and Meat Produced, Tasmania; DAFF Red Meat Statistics accessed on line.

Beef Production



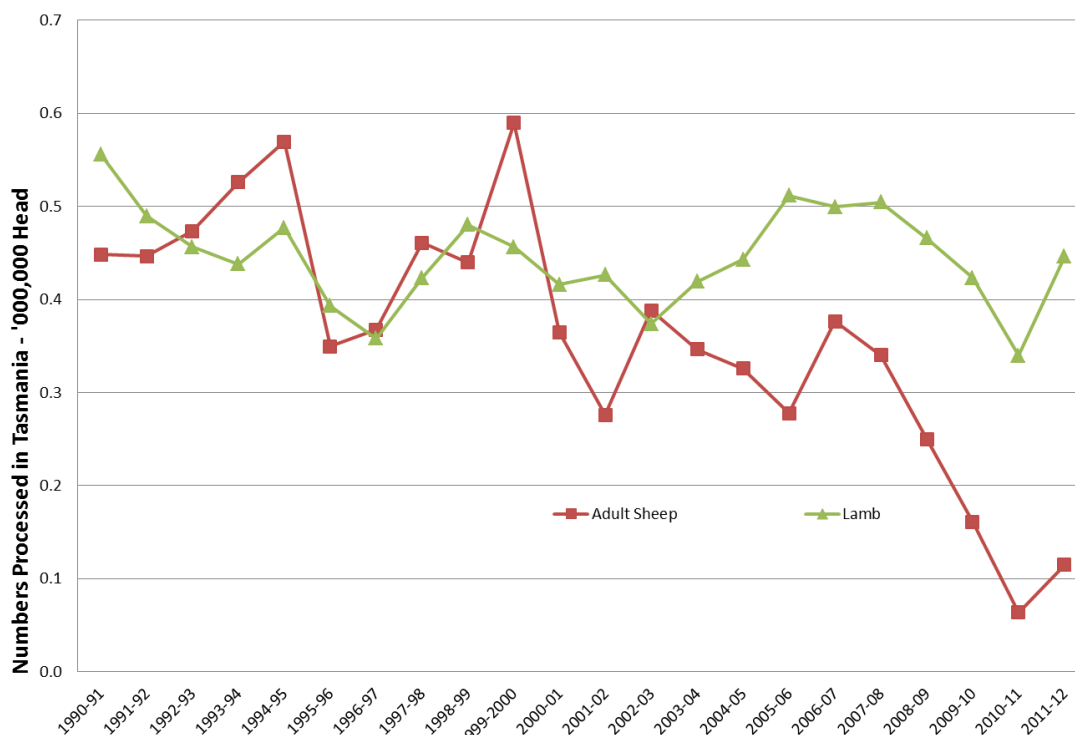
Source: ABS, Livestock – Number Slaughtered and Meat Produced, Tasmania

Sheep Disposals



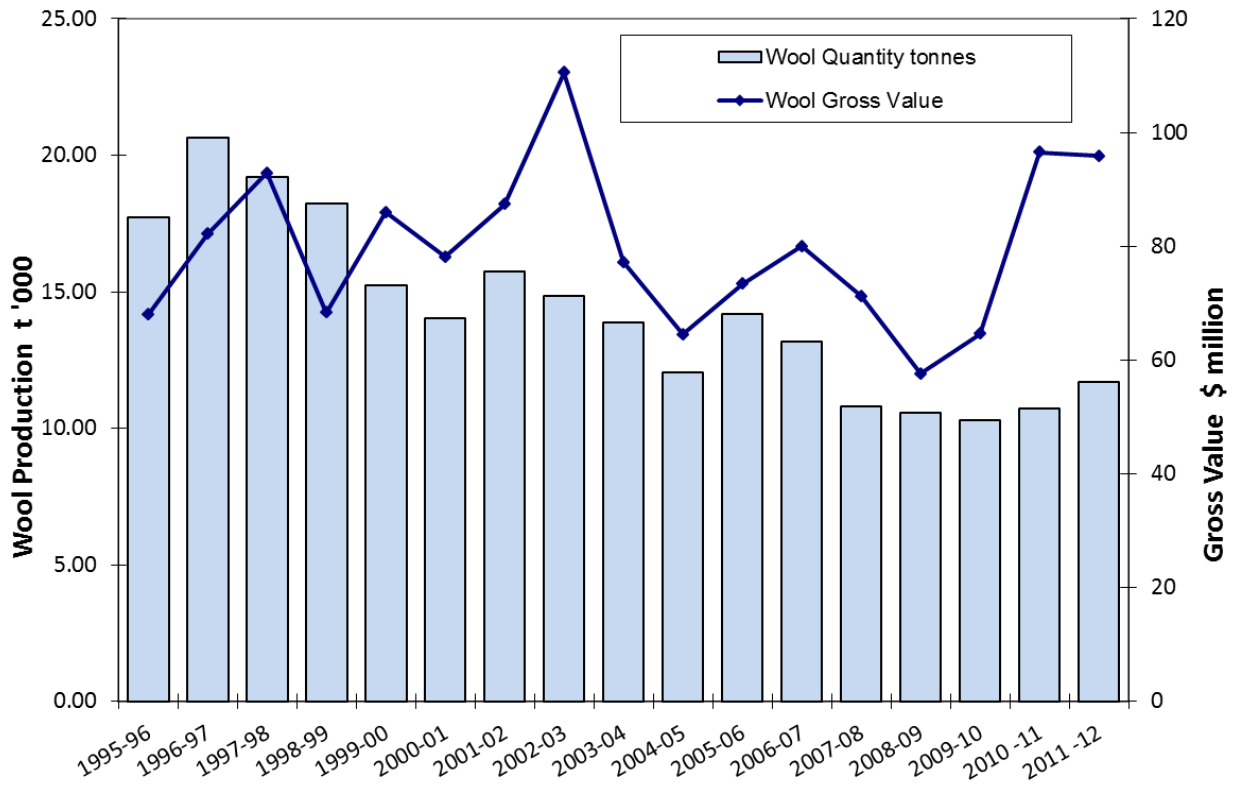
Sources: ABS, Livestock – Number Slaughtered and Meat Produced, Tasmania; DPIPWE Livestock Forecast Committee information

Lamb and Mutton - Processed in Tasmanian abattoirs



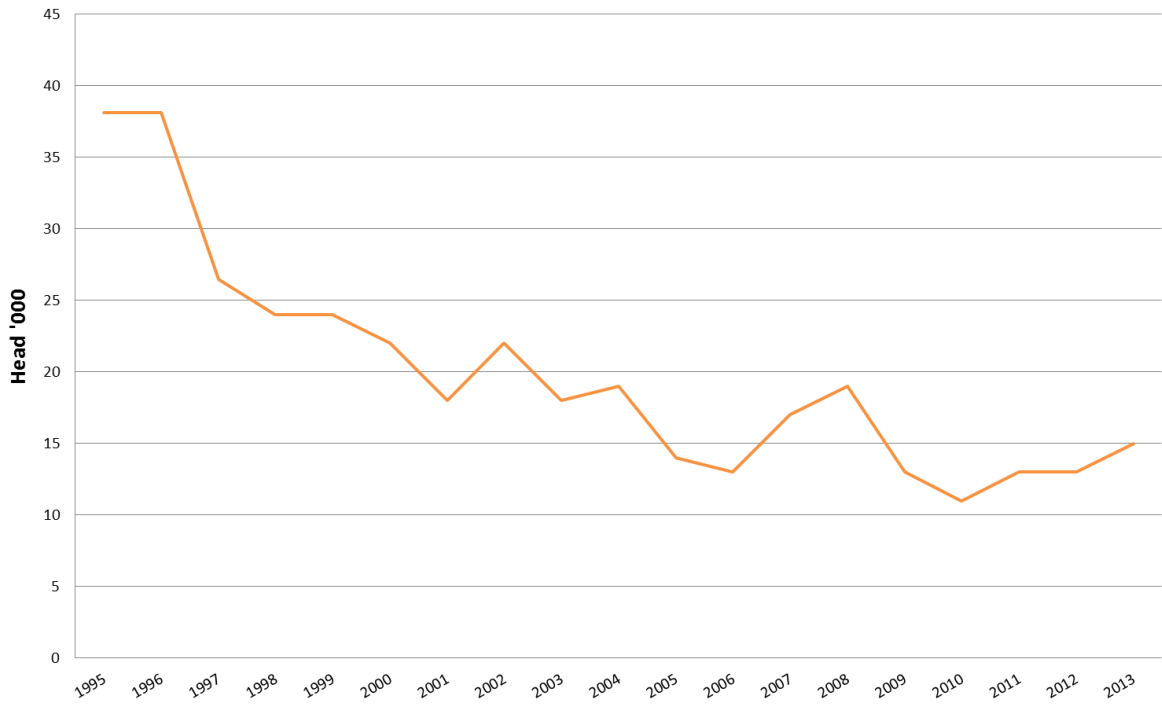
Source: ABS, Livestock – Number Slaughtered and Meat Produced, Tasmania

Wool Production



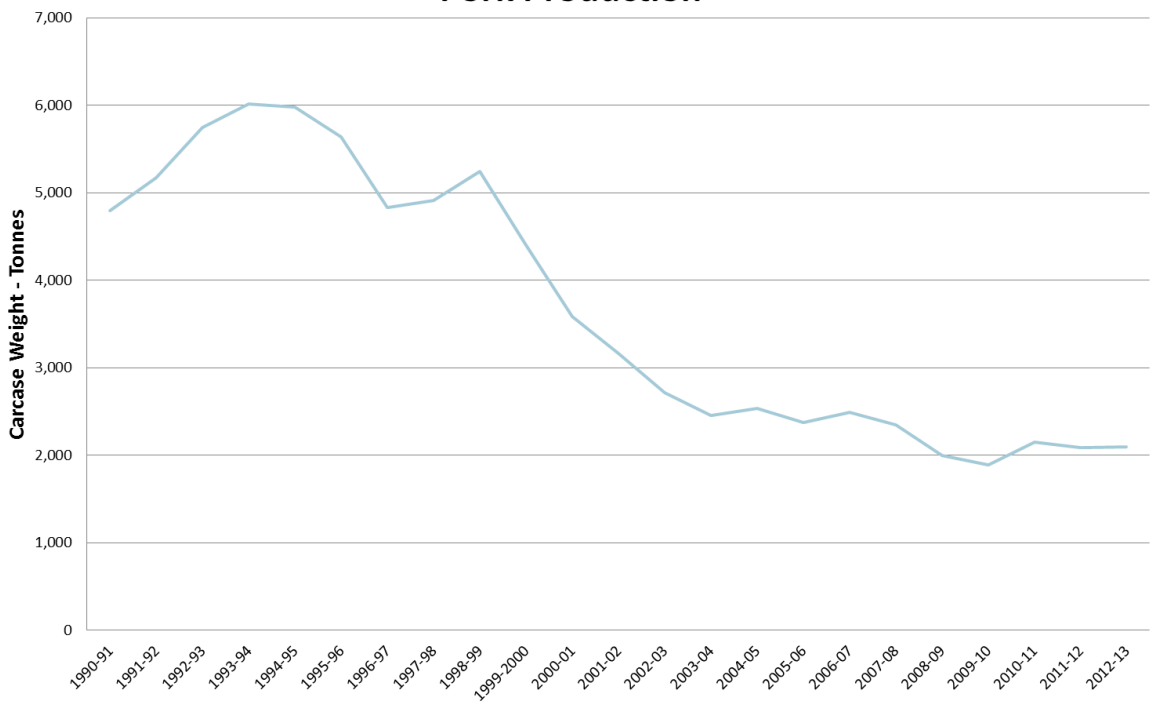
Sources: ABARES, Agricultural Commodity Statistics 2012; ABS, Principal Agricultural Commodities, Cat. No. 7121.0

Tasmanian Pig Numbers



Source: ABS, Principal Agricultural Commodities, Cat. No. 7121.0

Pork Production



Source: ABS, Livestock – Number Slaughtered and Meat Produced, Tasmania

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