

## **ASSOCIATION REPORT JUNE 2008**

I have had a fairly hectic couple of months since starting with the NTLEA in February 2008. This time has been spent meeting people actively involved with the industry as well as gaining a good understanding of the practices involved through the different chain of events that make up the live export process.

I have conducted two overseas trips in conjunction with the NT Government with the first being to Vietnam in March. The purpose of this trip was to follow up developments from previous trips in order to encourage investment by Vietnam into a fully integrated feedlot/abattoir/distribution system similar to that done by Indonesia through the wet markets. It is encouraging to report that a Memorandum of Understanding (MoU) has been drawn up between the NT Government, NTLEA and a private company within Vietnam outlaying a commitment to developing this potential trade.

This development was then followed up by an invitation to the Khanh Hoa Province of Vietnam to visit the Northern Territory on an educational trip in order to gain a good understanding of the product we can provide through live export. This visit involved a trip around Berrimah Export Depot and the Darwin East Arm Wharf where we witnessed the MV Deneb Prima loading followed by a trip out to Camfield Station owned by Australian Agricultural Company and managed by Mr Mick Tasker. Not having experienced anything like it before, the delegation was very impressed by this vast cattle production system.

We then accompanied the delegation to Indonesia where we were met by MLA's Mr Allister Lugsdin who joined us on a tour of feedlotting operations and abattoir's, which displayed to the group the high performances achieved by Northern Territory cattle under South East Asian feedlot management.

I continued on the trip with Allister Lugsdin, visiting a wet market and discussing the initiatives being conducted to increase the demand of beef among consumers in the middle to lower classes.

### **Meetings conducted:**

1. Mr Teguh Boediyana, Executive Director of APFINDO
2. APFINDO Board members
3. Mr Greg Pankhurst, Agro Giri Perkasa
4. Mr John Ackerman, Agricultural Counsellor for DAFF
5. Mr Patrick Kearins, AUSTRADE
6. Mr Nurendro Trikesowo, Elders Nutri
7. Mr Jason Hatchett, MLA
8. Mr Richard Slaney, Elders

This trip was extremely insightful for me to understand the full picture of the relationship between the Northern Territory and Indonesia as well as meeting many of the influential people heavily involved with the overall development of the live export industry.

### **BERRIMAH EXPORT YARDS**

The trade in general is experiencing higher than normal cattle numbers flow through the system given the high demand for NT cattle in SE Asia (93% Indonesia), and Berrimah export depot yards are no exception. Since the takeover by NLS in July 2007, we recorded the highest level of throughput yet reaching 71,539 head by end of May. This can be attributed to the professional management that is conducted by NLS since their takeover. Processing constant large numbers of cattle is no easy task for any export depot yard and I admire the hard work that has gone into managing the logistics involved by all operators.

## **MARKET REPORT**

Please go to the Pastoral Market Update link to view all recent market reports.

As mentioned the demand for NT cattle, especially in Indonesia, is still very high at the moment given the obvious hurdles that have confronted the trade. The drought in central Australia is extreme to say the least and this is forcing higher than normal cattle numbers north through the live export chain. The continuous rise in the Australian dollar and also fuel prices will no doubt continue to affect the cost of production for producers and also the bargaining power for exporters. It will be interesting to see how the market continues through the dry season given the mass exodus of cattle out of central Australia and one that I will be monitoring very closely.

## **CONCLUSION**

I look forward to working within the NT Live Export industry and collaborating with the executive committee and all full and associate members on a regular basis and continue developing this very important and resourceful trade.

Adam Hill

CEO