

Electronic NLIS (Sheep & Goats) Transition Package  
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**Electronic National Livestock Identification System (NLIS) (Sheep & Goats) – A transition package for Victoria**

Dear Sir/Madam

WoolProducers Australia (WPA) is the national Peak Industry Body representing and promoting the needs of Australia's wool producers. We welcome the opportunity to comment on the draft consultation paper "Electronic National Livestock Identification System (NLIS) (Sheep & Goats) – A transition package for Victoria".

**General comments**

WoolProducers had a long standing interest and engagement with all industry stakeholders in ensuring the Australian wool industry has an effective livestock identification and traceability system to ensure biosecurity, food safety and product integrity that meet both domestic and international market access protocols.

The industry has long been an advocate of a national mob-based identification and traceability system and stands by its comments to Minister Pulford in its letter of 22 January 2016.

WoolProducers feel it necessary to state in this consultation that we are very disappointed that Minister Pulford has made this decision despite the Victorian Government's commitment prior to the 2014 election to national industry bodies and other state and territories that the government would not mandate electronic for sheep and goat tags until a national approach was agreed and which would include significant industry consultation.

WoolProducers are somewhat disillusioned that the Victorian Government has in the first instance, made the announcement to implement mandatory RFID and is now conducting a consultation. The consultation is being conducted in an unsatisfactory timeline to try and address the significant gaps and impacts on industry that are now being identified as the logistics and practicalities of implementation of this system are being assessed.

We also feel it necessary to point out that the NLIS is a national system, and therefore believe that this is not a consultation into *Electronic NLIS (Sheep & Goats)* but rather a consultation into the Victorian Electronic Livestock Identification System (Sheep & Goats). This is an important distinction to make as the NLIS for sheep and goats is still officially the mob-based traceability system currently supported by industry and all jurisdictions.

Whilst WoolProducers' reiterates its support of the current mob-based system and is fully supportive of enhancing this system to ensure continuous improvement, we provide comments on the draft Standards to try and ensure that the two systems can work together to achieve traceability across the country. Our submission should not be interpreted as endorsement of the Victorian Government's decision.

With this in mind WoolProducers believe that the Victorian Government needs to be working closely with NLIS Ltd to ensure that electronic system within Victoria aligns as systematically as possible with

the current NLIS Sheep and Goat Business Rules. WoolProducers recommend that the electronic identification system in Victoria remains based on the mob-based premise to ensure harmonisation with the national system. This will also address many of the practical issues that will be encountered upon implementation of an electronic system to sheep and goats.

The fact that the Victorian Government has chosen not to implement all of the NLIS (Sheep & Goats) Business Rules in its current system, along with the retraction in state government resources in this area, has undoubtedly played a significant part in the perceived 'failure' by the Victorian Government of the current mob-based system.

WoolProducers feel it is extremely unfair that the increased costs that the supply-chain will bare in implementing the electronic system, which is in part due to inaction from the Victorian Government, particularly when these supply-chain costs will ultimately be passed on to producers.

WoolProducers also has concerns regarding the effect that Victoria operating in isolation will do to the integrity of the NLIS database and ultimately national traceability. Given there is no requirement outside of Victoria to upload electronic movements there is a very real chance that this will create 'ghost' stock and/or tags – which has, and continues to be a significant issue for the cattle industry.

As the Victorian Government has seen fit to mandate the compulsory use of electronic ear tags for sheep and goats, WoolProducers has a significant interest in ensuring that the cost of implementation places the least possible burden on producers and supply chain partners and that the system, once implemented, will meet its intended purpose of improved supply chain traceability and emergency animal disease response preparedness.

We again implore the Victorian Government to be more mindful of the language used regarding this issue, including the incorrect inference that the NLIS (Sheep and Goats) is not an effective traceability system and the continued reference to harvested rangeland goats as 'feral'. Both of these issues have the ability to adversely affect international trade – including the Victorian sheep and goat industries.

### **Lessons from the cattle industry**

Experience from the cattle industry's implementation process to an electronic identification system highlights a number of potential issues that should be avoided as the Victorian sheep and goat industries make the transition to an electronic identification system.

The mandatory implementation of RFID in the cattle industry occurred following significant consultation with industry stakeholders. Consultation included meetings, workshops extensive communication and information dissemination.

Even with this preparatory work being conducted and a more practical and staged implementation of RFID compliance along the supply chain in comparison to what is being proposed for the Victorian sheep and goat industries, many operational issues continue to remain in the cattle industry system.

Of particular note is the significant level of funded infrastructure that quickly became obsolete due to the supply chain having inadequate time to properly research, design and incorporate new additional infrastructure while modifying that which already existed.

### **Timelines**

In light of this experience and in assessing the proposed implementation process, WoolProducers consider that the implementation and consultation timelines are too tight to facilitate an effective implementation of the electronic system. Given the significant requirement for infrastructure across the supply chain the "mid 2017" timeframe is patently unreasonable.

WoolProducers recommend that the date for compliance be pushed back to a future date following further industry consultation to develop the most efficient and cost effective implementation plan possible.

Whilst having a practical implementation timeframe would be in the best interests of sheep and goat producers it would also serve the Victorian Government well in avoiding a potentially embarrassing outcome of not being in a position that enables compliance with their own self-imposed, poorly considered, timeframes.

### **Electronic Identification (Sheep and Goat) Standards**

WoolProducers suggest that all activities listed in the table 'Non Infrastructure Support' (Consultation Paper, Table 2) be conducted prior to any compliance dates being set.

WoolProducers understand that under the current consultation paper there is no requirement to report property-to-property (P2P) movements and consider this to be a major flaw in the proposed system and which conflicts with the overarching Scope of the Standards.

This conflict is further compounded when considering that one of the main reasons provided in the consultation document for justifying the mandating of the electronic system is *"For addressing many animal health and food safety issues, a 'whole of life' approach by which animals can be tracked back to their farm of birth, should the need arise, is essential"*. Without a requirement to report P2P movements it is fanciful to suggest this objective will be achieved.

There is also no mention in the consultation paper on how sheep traveling on stock routes are to be treated under the electronic system.

WoolProducers also believes that there should be serious consideration given by the Victorian Government to the type of technology to be mandated under this system. The Low Frequency technology is outdated and by our understanding is not suitable for the sheep and goat industries. Whilst WPA do not claim to be experts in this area we are lead to believe that new, practical and more cost-effective technology exists in Ultra High Frequency (UHF).

UHF has been utilised by the Australian Wool Exchange (AWEX) for trials in wool bale tracing due to functionality. If bale traceability is introduced on-property, under the Victorian Government's proposal, wool growers will be utilising two different types of technologies, which is far from ideal.

Industry is firm in its belief that if the Victorian Government is implementing this electronic system, then all sheep and goat movements (with the exception of the exemptions in S1.2.2. and approved exemptions for practical, animal welfare and OH&S reasons) must be mandated in order for the system to be fully robust or there is no point in implementing this system at all.

WoolProducers looks to continued engagement with the Victorian Government and make the following comments on the discussion papers in particular how they relate to producers and endorse those comments made by the following industry bodies (Australian Livestock & Property Agents Association Ltd, Australian Livestock Exporters Council, Australian Meat Industry Council and Red Meat Advisory Council).

WoolProducers put forward the following recommendations:

1. The electronic identification system for sheep and goats in Victoria should remain on the premise of mob-based.
2. Non-Infrastructure Support activities are effectively rolled out before the mandatory introduction of electronic identification for sheep and goats.

3. A reasonable and staged timeframe for compliance along the supply chain is implemented following extensive consultation with industry, as opposed to the unreasonable target of 'mid-2017'.
4. The omission of Travelling Stock Routes must be addressed in the Standards.
5. Consideration and trialling of other more practical technologies other than Low Frequency, must be given.
6. The removal of any reference to 'feral' in regards to harvested rangeland goats.
7. All harvested rangeland goats, as defined in legislation and the NLIS Sheep and Goat Business Rules, going direct to slaughter should be exempt from tagging.
8. All sheep and goat movements should be mandated, including P2P under this electronic system or there is little point in implementing it in the first place. If exemptions are to remain the electronic identification system for sheep and goats should remain voluntary.
9. A specified final date for application of electronic tags for sheep and goats born prior to 1 January, 2017
10. The removal of S1.2.3b, as it undermines S1.2.3a
11. Clarification of protocols for 'traceability plans'.
12. LPA NVD's must be the only accepted form of movement documentation
13. If P2P movements are not mandated, then S1.5 should be removed
14. Electronic tags must have the PIC of origin visually printed onto the tag
15. There must be consistency between the retention of records
16. Removal of S4.3.2

### **Standard Specific Comments**

#### **S1.2.2**

*The identification of the following categories of sheep and goats with an electronic NLIS (Sheep) tag is voluntary;*

*a) Rangeland (feral) goats introduced into Victoria in transit directly to an abattoir for immediate slaughter,*

All harvested rangeland goats, as defined in legislation and the NLIS Sheep and Goat Business Rules, going direct to slaughter should be exempt from mandatory tagging, due to OH&S issues.

*b) Saanen, British Alpine, Toggenburg, Anglo Nubian, Melaan and Australian Brown dairy goat breeds,*

*c) The Elf breed of goats,*

Whilst it is acknowledged that there are practical and welfare reasons as to why these exemptions have been made, an argument could be made that other classes of sheep and goats should be exempted, including all sheep that go from property of birth direct for slaughter.

GICA are currently reviewing identification options for dairy goat breeds. Until this work is complete, GICA supports the exemption for these breeds due to practical and welfare reasons.

*e) Sheep and goats born before the commencement date.*

There needs to be a specified final date for all sheep and goats to be tagged with electronic tags. Full transitioning to the electronic system will take significantly longer if no definitive time is mandated.

When there is a requirement for retrospective electronic tagging to occur, the price of these tags should be on a cost-neutral basis for producers through continued tag subsidies provided by the Victorian Government.

*f) Sheep and goats born after the commencement date on a property outside of Victoria and that are subsequently transported to Victoria provided that they are identified at the time of entry into Victoria in accordance with the legal requirements in the jurisdiction from which they were dispatched.*

This Standard will provide significant problems in achieving the objective of the electronic system. If interstate sheep are not required to meet the Victorian requirements there is little point in implementing them in the first place.

Clearly Victoria is in no position to dictate the legal requirements of sheep from the dispatch jurisdiction but this is one of the problems of Victoria acting in isolation under a national system.

#### *S1.2.3*

*With the exception of the exempt classes of sheep and goats specified in S1.2.2 –*

*b) all sheep and goats likely to be have been born in Victoria on or after the commencement date that have been introduced onto a Victorian property and that are not identified with a visual or electronic NLIS (Sheep) tag, must be tagged with a pink electronic NLIS (Sheep) Post-breeder tag before leaving that property.*

WoolProducers do not understand the intent of this Standard as it appears to undermine the intent of the S1.2.3a and therefore the entire premise of the electronic system.

The only logical reason for the inclusion of this Standard is because P2P movements are not mandated. To reiterate our position, if the Victorian Government is determined to implement an electronic identification system for sheep and goats, P2P movements must be mandated to provide a basic level of integrity.

Meanwhile mandating P2P movements will require producers to have on-farm readers, which will significantly increase the cost of implementation of infrastructure for all producers.

*c) all sheep or goats born outside of Victoria on or after the commencement date that are introduced onto a Victorian farm or feedlot after (date to be inserted following consultation) must be tagged with a pink electronic NLIS (Sheep) Post-breeder tag before leaving that property.*

WoolProducers believe that the date should be 1 January, 2017 in line with the proposed implementation date to provide integrity to the system, unless there is a revision of the proposed timeframes for this system.

#### *S1.2.4*

*Sheep and goats may be dispatched from a property without an electronic NLIS (Sheep) tag if;*

*c) The goats are rangeland (feral) goats and are leaving a property operating under a traceability plan approved in writing by Agriculture Victoria.*

In line with previous comments, the term should be 'harvested rangeland goats'.

WoolProducers would like the protocols around the traceability plans explained, including:

- ) What criteria need to be met under traceability plans?
- ) How long would it take to issue a traceability plan?

GICA with support from AMIC and state jurisdictions developed a set of 'Industry NLIS Standards for Operating a Goat Depot and an accompanying User Manual (Standard Operating Procedures)' to allow registered goat depots to maintain a tagging exemption. GICA requests that this document be formally recognised as a sufficient 'traceability plan' under S1.2.4 c). WoolProducers supports GICA's request.

#### *S1.2.10*

*Electronic NLIS (Sheep) tags must be used to identify the species, ie sheep or goats, against which they have been registered on the NLIS database.*

WoolProducers has concerns that all tags are NLIS Sheep tags and only differentiated by the packaging. What is the contingency plan to deal with the circumstance where tags ordered for sheep are applied to goats and vice-versa? Has NLIS Ltd been notified of the need for tags to be transferred between the species?

#### *S1.2.11*

*Where the transponder in an electronic NLIS (Sheep) tag on a sheep or goat located on a farm, feedlot or depot cannot be read electronically –*

- a) that NLIS tag must be removed and replaced in accordance with S1.2.3 before the sheep or goat leaves the farm or feedlot on which it resides;*
- b) the non-functioning NLIS device number may be linked with the replacement NLIS (Sheep) tag on the NLIS database.*

This is ambiguous at best and provides no definitive standard. To provide lifetime traceability the non-functioning tag must be linked to the replacement tag.

### *S1.3 Movement information and documentation*

#### *S1.3.2*

*The following are considered acceptable movement documents for the purposes of these standards;*

- b) An electronic or paper NVD in a form approved by notice published by Agriculture Victoria.*

WoolProducers are concerned about this provision in the Standard and consider it should be removed. NVDs are the accepted industry movement document that underpins food safety in the red meat industry. Allowing the use of any form other than an NVD approved by SAFEMEAT Ltd will significantly undermine the integrity of LPA NVD. The LPA NVD must be the only acceptable movement document.

#### *S1.5 Movement recording of sheep and goats moving between farms, feedlots and depots.*

WoolProducers believe that the date that this Standard needs to be implemented should be done only after compliance can be guaranteed.

If P2P movements are not mandated this entire Standard is redundant.

### *S4.2 Sheep and goat tags*

WoolProducers believe that electronic tags must have the PIC of origin visually printed onto the tag.

#### *S4.2.2*

*The record regarding electronic NLIS (Sheep) tag use must be kept for at least one year and be retrievable within 24 hours of being requested to do so by an Agriculture Victoria animal health or veterinary officer.*

There is an inconsistency here between the retention time of records between saleyards, farms and depots. It would be assumed that this would be consistent if they are being retained for traceability purposes.

#### *S4.3.2*

*If on a sale day scheduled after (date to be inserted following consultation), the saleyard operator does not expect to have functioning equipment and software available to efficiently scan electronic NLIS (Sheep) tags, the operator must provide Agriculture Victoria no later than five working days prior to the sale with a protocol for the visual inspection of a minimum of 5 per cent of sheep in each arriving consignment to check that the PICs on both visual and electronic NLIS (Sheep) tags are recorded on accompanying movement documents. The plan must also describe the remedial action proposed where one or more of the checked tags have PICs not recorded on the accompanying movement document, or if one or more sheep are not identified with an NLIS (Sheep) tag. The costs associated with implementing the protocol in every respect will be borne by the saleyard operator. Agriculture Victoria at its discretion may accept or reject the proposed protocol.*

The inclusion of this Standard undermines the entire system and will see the establishment of two saleyard systems in Victoria and therefore needs to be removed. If implementation is to occur as per the prescribed timeframes there should be no Standard that allows non-compliance.

This can be avoided if the Victorian Government applies a more reasonable, staged implementation timetable, as suggested in the industries' Recommendation 3.

## **BACKGROUND – WOOLPRODUCERS AUSTRALIA**

WoolProducers Australia is the national Peak Industry Body (PIB) representing and promoting the needs of Australia's wool growers. Our membership covers the industry's commercial, superfine and stud breeding sectors.

WoolProducers is nationally representative through our State Farming Organisation (SFO) members and three democratically elected Independent Directors. Through the engagement of Independent Directors, WoolProducers is able to ascertain the needs of growers both within, and external to the SFO system. This sets WoolProducers apart from other wool grower representative groups and gives it the mantle of the only true democratic and representative voice of the Australian wool industry.

WoolProducers is the only wool growing member of Animal Health Australia (AHA), and as such, carries a significant responsibility for decision making on behalf of the industry. This role includes the oversight of the wool industry health and welfare levy collected and administered by AHA.

In 2014 WoolProducers established the WPA Health and Welfare Board Committee and expanded the representation of this Committee by extending an invitation to other wool representative bodies, including Australian Wool Growers Association, Australian Association of Stud Merino Breeders, Australian Superfine Wool Growers Association, to ensure that there was representation and input across the entire wool industry in the expenditure of this levy. The Australian Veterinarian Association – Sheep Special Interest Group also has observer status on this Committee to provide technical advice regarding this levy administered by AHA.

AHA is empowered under the *Australian Animal Health Council (Livestock Industries) Funding Act 1996* and is an essential component of sheep health and welfare in Australia.

WoolProducers is the wool industry signatory of the Emergency Animal Diseases Response Agreement (EADRA), and as such plays a critical role in the preparedness activities working across industries and State and Federal Governments.

As the only wool grower organisation with membership of the National Farmers' Federation, WoolProducers is responsible for providing key policy advice on behalf of our members, and other wool growers, to Australia's peak farm body.

WoolProducers also works closely with the Federal Department of Agriculture and Water Resources on key issues such as animal health and welfare, biosecurity, pest management control, natural resource management, drought preparedness, emergency animal disease outbreak preparedness and industry development, including research and trade.

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