

EMERGING ISSUES BRIEF

COVID-19 economic and business impacts for the Australian red meat and livestock industry

Prepared by: Red Meat Advisory Council

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Current: 27 March 2020 7pm (updated daily)

Next Teleconference (TC): 8am AEDT, Monday 30 March 2020

Current situation

Key updates:

- **Public health:** Cases now sit at 3166¹.
- **Border control:** An attached analysis gives a state of play update on key controls as borders have closed down.²
 - o Please note there have been no reported issues at borders since all closures.
- **Agriculture and food:** AGMIN will due to meet today.

Australian red meat and livestock industry activity:

- Begin planning for further national measures in mobility Australia wide (as is the case in NZ)
- Statement and letter issued by saleyards supported by RMAC members and supply chain³
- Work on whole of supply chain business continuity plan and engagement plan
- Ongoing Liaison with Federal and State Regulators on any pop-up issues

Key emerging issues: Red meat and livestock

COVID-19 and the public health and the economic measures being put in place are evolving rapidly. This is a snapshot of key emerging and known issues as of 25 March 2020 (5.00pm).

Industry

Supply chain	Lead	Ongoing issues
Retail, meat + exporting	AMIC Supported by: AMPC	<ul style="list-style-type: none">- Saleyards coordination- Ongoing media – impact on trade and supply- Calling all retail members over the next 72 hours for insights and feedback- Supply of livestock with store/ prime sales- Security of export markets- Inclusion in Supermarkets Taskforce- Continued scrutiny on overall supply of meat on shelves- Ongoing work with AWE on on-plant risk management; shipping fees and charges- Inventory of protective equipment- Continuity of business in instance of partial or full shutdown: including wages and union scrutiny, labour availability through quarantine incidents.
Livestock export	ALEC Supported by: LiveCorp	<ul style="list-style-type: none">- Suring up trade assurance- Personnel for ships- Cross border freight- Overall short, middle and long-term export security- Impacts of air freight
Lot feeding	ALFA	<ul style="list-style-type: none">- Saleyards coordination- BCP work complete/ published/ circulated

¹ <https://www.health.gov.au/news/health-alerts/novel-coronavirus-2019-ncov-health-alert/coronavirus-covid-19-current-situation-and-case-numbers>

² https://rmac.com.au/wp-content/uploads/2020/03/26-March_Border-Advice.pdf

³ <https://rmac.com.au/saleyards-essential-part-of-red-meat-supply-chain-in-covid19/>

		<ul style="list-style-type: none"> – Ensuring feedlot staff and suppliers are briefed on new protocols and have appropriate tools to hand – Working with states on contingency planning for business, staff and livestock – Liaison with key jurisdictions on business continuity e.g. QLD, NSW.
Beef, sheepmeat and goatmeat production	CCA SPA GICA	<ul style="list-style-type: none"> – Saleyards coordination – Escalating Coles and Woolworth's issue – Cross border controls – Management protocols and impacts on northern muster for domestic and international workforce – Monitoring potential supply interruptions to critical inputs, such as animal husbandry products – Monitoring impacts on other agricultural industries and responses through NFF
Industry domestic marketing + international presence	MLA	<ul style="list-style-type: none"> – New pricing and international markets report issued (27/03/20); communique on MLA market reporting issued – MLA undertaking an initial economic impact for domestic and export markets – MLA are focussed on managing teams based in international markets, this includes suspending marketing operations in line with risk factor and policy within country. China operations have recently resumed with staff returning to MLA shopfront.
Customer	AMIC	<ul style="list-style-type: none"> – Availability and continuity of protein (AMIC leading, supported by ICAU) – Affordability of protein (AMIC leading, supported by ICAU)
Whole of supply chain	RMAC MLA	<ul style="list-style-type: none"> – Supply chain roundtable groups will be formed headed by Mark Tucker to feed into the National Coordination mechanism. <ul style="list-style-type: none"> o Regular industry call established. – RMAC working with MLA resourcing a whole of supply chain business continuity and food security/ supply plan

Media

- Industry Corporate Affairs Unit (ICAU) has been seconded for 2 weeks to Red Meat 2030 Ongoing Pandemic Response through Stephen Woodhill, Industry Affairs Advisor, 0413 318 455
- RMAC CEOs have agreed to a media policy and top line talking points (23/03/20); ICAU are reviewing an internal engagement, external engagement and government relations plan including a list of spokespeople and a series of industry templates
- No scheduled media for 27 March
- A regular coms call will be held every Monday

High Level Messages

- Health and safety of staff and customers is critical and industry must do everything they can to limit community transmission of COVID-19
- Our supply chains and marketplace are open for business to ensure ongoing high quality and nutritious red meat supply for Australian and global customers
- The Australian red meat and livestock industry is committed to working together through the Red Meat 2030 partnership in the ongoing COVID-19 response

Critical uncertainties

Uncertainty 1: Domestic shutdown: If there is a regional (partial) or national (total) lockdown or shut down – are we prepared? Do we need to do some scenario planning? Is the current industry and policy response sufficient for –

- Workforce (economic, health and social services)⁴
- Customer (availability, affordability)
- Business continuity

⁴ Will regional and rural health services be sufficient to support our sector during this period (Source: Rural Doctors Association of Australia, <https://www.rdaa.com.au/documents/item/949>)

- Retail
- Processor / exporter
- Allied supply chain
- Production
- Protein availability and safety⁵ (domestic, export)
- Animal welfare (foreseeable bottleneck or backlog issues)

Action as of 23/03: Contingency planning is being undertaken as part of an ongoing Pandemic Response.

Uncertainty 2: Global economy: The overall economic health of Australia and interdependencies with global markets. The Australian stimulus is timed to impact second quarter spending and growth to avoid a second quarter of stagnation. Do we need to do some scenario planning on impacts for? Is the current industry and policy response sufficient for –

- Business sector (paddock to plate)
- Customers (domestic, international)
- Industry organisations (do Red Meat 2030 partners have the support they need?)

Action as of 23/03: Stimulus packages will be monitored and shared broadly with Red Meat 2030 to disseminate to their businesses. Red Meat 2030 partners to identify sector specific initiatives to feed into a broader response and provide to RMAC.

Uncertainty 3: Global supply chains: Impact of the COVID-19 Australian policy restrictions on export markets and continuity of supply chain for both livestock export and meat? Is the current industry and policy response sufficient for?

- Outbound: all exports – sea, air, personnel, animal welfare issues
- Inbound: supply chain – live, meat, personnel and other essential agribusiness imports e.g. chemicals or pharmaceuticals

Action as of 23/03: Stimulus packages will be monitored and shared broadly with Red Meat 2030 to disseminate to their businesses. Red Meat 2030 partners to identify sector specific initiatives to feed into a broader response.

Uncertainty 4: Protecting our people: Are sufficient actions and protections being taken to ensure the health and safety of staff within Red Meat 2030 partners? Do the collective businesses have sufficient support materials to do the same? Is our industry and policy response sufficient?

Action as of 23/03: All partners have a shared approach to the health and safety of staff.

More information

[ALFA 'A guide for feedlots'](#)

[Resources Toolkit](#)

[MLA – Domestic Pricing](#)

[MLA – International Markets](#)