

**Livestock sector property identification reforms –  
draft principles and business rules**

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WOOLPRODUCERS  
AUSTRALIA

Property Identification Code Working Group  
Department of Agriculture  
GPO Box 858  
Canberra City ACT 2601

Via email: [NBC.Traceability@agriculture.gov.au](mailto:NBC.Traceability@agriculture.gov.au)

30 October 2019

To Whom It May Concern,

**Re: Livestock sector property identification reforms – draft principles and business rules**

WoolProducers Australia (WoolProducers) welcomes the opportunity to provide this submission to the Department of Agriculture consultation on livestock sector property identification reforms – draft principles and business rules.

WoolProducers is the peak industry council for the wool industry. Our membership is comprised of the industry's commercial, superfine and stud breeding sectors. WoolProducers is nationally representative through our State Farming Organisation members and three democratically elected Independent Directors. WoolProducers' policy areas include animal health and welfare, biosecurity, pest management control, natural resource management, drought policy, emergency animal disease outbreak preparedness, and industry development including research and trade.

Enhancing Australia's traceability arrangements is important for Australia's wool industry, which exports 98 per cent of wool grown by our 60,000 woolgrowers to markets including China (app. 72 per cent), the European Union (app. 8 per cent) and India (app. 4 per cent)<sup>1</sup>. Australia is the largest producer of wool in the world and wool contributed \$3.72 billion to Australian exports in 2017/18<sup>2</sup>. Sheep used for wool production transfer into the red meat supply chain where they are processed to produce mutton, generally at the end of their productive wool growing life. Meat and Livestock Australia's Australian Sheep Industry Projections (June 2019) predicts that Australia will produce 199,000 tonnes (carcase weight) with exports forecast at 160,000 tonnes (shipped weight).

With a heavy reliance on international trade, efforts to enhance Australia's traceability arrangements are vital to the wool industry. WoolProducers is supportive of the Australian Government's efforts across traceability to maintain market share, increase market access, and build consumer confidence in aspects of pest and disease outbreaks, and food safety for all agricultural products. This work further enhances consumer trust and confidence in Australian agricultural products as customers are seeking more information about the provenance, sustainability and ethics associated with agricultural products.

Traceability underpins the collaborative efforts by industry and Australian governments (state/territory and federal) to provide the safest agricultural products worldwide. Continual enhancements to Australia's traceability systems, including property identification reforms, continually maintain and develop our ability to export to international markets. WoolProducers is supportive of the property identification reform process and this submission provides responses to the draft principles and business rules provided for consultation by the Department of Agriculture.

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<sup>1</sup> ABARES, 2019

<sup>2</sup> Australian Wool Innovation, 2019

Should you wish to discuss our submission further, please do not hesitate to WoolProducers Australia Policy Manager, Ashley Cooper on 0455 442 776 or via email ([acooper@woolproducers.com.au](mailto:acooper@woolproducers.com.au)).

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Jo Hall', written in a cursive style.

Jo Hall  
Chief Executive Officer

## Review of the principles and underpinning business rules

### **Principle 1: There will be a consistent property identification approach across animal industries.**

WoolProducers strongly supports Principle 1 and the underpinning business rules, in particular rule 1.2 (b) which will enhance consistency of property identification codes across jurisdictions to support national traceability, biosecurity or other regulatory outcomes. Consistency enables simplification of use and understanding and will enhance ability to trace forwards and backwards if the need arises for food/product safety or biosecurity reasons.

### **Principle 2: A property will consist of one or more parcel(s) of land that are contiguous or sufficiently proximate, operated as a single business under the same ownership or management arrangement.**

WoolProducers supports Principle 2, and underpinning business rules 2.1 through to 2.5. It is important that for business rule 2.3 *'A contiguous parcel of land that is within a different state or territory cannot form part of the property, unless with the agreement of relevant jurisdictions'* that the process to apply for a property identification code is simple, efficient, nationally consistently and also that there is consistency in the assessment process across the jurisdictions.

WoolProducers partially supports business rule 2.6 *'Parcels of land that are not contiguous may share the same property identifier at the discretion of the issuing authority when they operate together as a single business, are sufficiently proximate and the biosecurity risk is assessed to be the same'*. WoolProducers advocates that parcels of land that are not contiguous but are located within a 100-kilometre radius should be able to share the same property identification code without the option for discretion of the issuing authority, so long as they form part of the same business enterprise. Non-contiguous parcels of land that are located more than 100 kilometres apart should require unique property identifiers.

### **Principle 3: There is to be a unique property identifier establishing the physical location of the property.**

WoolProducers supports Principle 3 and the underpinning business rules. We wish to raise the potential discrepancy between business rule 2.6 *'Parcels of land that are not contiguous may share the same property identifier at the discretion of the issuing authority when they operate together as a single business, are sufficiently proximate and the biosecurity risk is assessed to be the same'*, and Principle 3. If non-contiguous parcels of land are permitted to share a property identifier, the requirement to establish the physical location of both (or more) parcels would, depending on how the property identifiers are established, result in different property identifiers for each non-contiguous parcel of land as the parcels of land cannot be in the same physical location. This would result in different property identifiers being applied and therefore may not allow for shared property identifiers for non-contiguous parcels of land, that form part of the same business enterprise, within a 100-kilometre radius.

### **Principle 4: An area of land comprising a property should be defined by a unique geospatial identifier.**

WoolProducers supports Principle 4 and the underpinning business rules. Again, we raise the potential discrepancy between business rule 2.6 *'Parcels of land that are not contiguous may share the same property identifier at the discretion of the issuing authority when they operate together as a single business, are sufficiently proximate and the biosecurity risk is assessed to be the same'*, and Principle 4. If non-contiguous parcels of land are permitted to share a property identifier, the physical location of both (or more) parcels could not be assigned a unique geospatial identifier that defines a unique geospatial identifier, as the parcels of land cannot share a unique geospatial identifier if separated in different geospatial regions, without separate property identifiers being issued. Therefore, shared property identifiers would not be able to be implemented for non-contiguous parcels of land, that form part of the same business enterprise, within a 100-kilometre radius.

**Principle 5: A property identifier will be mandatory for properties: used for keeping livestock, and within the supply chain for domestic consumption or export.**

WoolProducers supports Principle 5 and the underpinning business rules.

**Principle 6: Property identifier data must include property owner and contact details; property street address; the type(s) of enterprise(s) being conducted; animal products on property; associated enterprise ownership details; pest and disease status.**

WoolProducers supports Principle 6 and the underpinning business rules, but again raises the potential for discrepancy in the principles and business rules for:

- 6.1b *'Property street address and/or geospatial identifier'* as per the potential discrepancy raised regarding non-contiguous parcels of land and geospatial identification, and
- 6.3 *'The information must be provided in the following form: (to be determined)'* as the information is required for consideration before WoolProducers can form a position on this business rule.

**Principle 7: Data is to be updated regularly.**

WoolProducers supports Principle 7 and the underpinning business rules 7.1 and 7.1a. WoolProducers requests that information on how property identifier information will be required to be renewed, under business rule 7.2, is provided. We advocate that this process should be as simple and efficient as possible.

Regarding business rule 7.3 *'Jurisdictions are to agree to data entry and integrity (audit) protocols (to be considered further)'* we are unable to provide support or otherwise to the rule until information following further consideration is available for consideration. WoolProducers advocates that the jurisdictions must operate harmonised data integrity (audit) protocols consistently with interpretation of these protocols also to be consistent between jurisdictions.

**Principle 8: In the event of a biosecurity or food safety emergency or as otherwise required by law, the property identifier, and associated data, is to be shared to the maximum amount permitted, consistent with privacy legislation, amongst the Australian Government, state and territory governments, research laboratories and industry as appropriate.**

WoolProducers supports Principle 8 and the underpinning business rules. We advocate that for business rules 8.3 *'The following information is to be available to industry if the owner of the identifier opts in for its release:'* and 8.3a *'the type of livestock kept on the property identifier'*, that the Department of Agriculture consider making the availability of this data compulsorily available to industry for assistance in biosecurity or food safety emergencies, or as otherwise may be required by law. The information can assist to inform decisions made by industry in events such as Emergency Animal Disease responses, particularly if available to be shared with industry by government representatives.

If it is not possible for the Department of Agriculture to make this compulsorily available under business rule 8.3, a compromise position could be *'The following information is available to industry unless the owner of the identifier opts-out of its release'*.

**Principle 9: The property identifier and associated data is to be provided to, and integrate with, livestock traceability arrangements and export certification.**

WoolProducers strongly supports Principle 9 and the underpinning business rules. It is important that the National Biosecurity Committee consider the need for wool bale traceability systems to also be integrated in property identification reforms.

**Principle 10: Governance arrangements that identify roles and responsibilities of system participants and ensure consistency of implementation are to be established. This will include Australian Government, state and territory governments and industry.**

WoolProducers strongly supports Principle 10 and the underpinning business rules. It is extremely important that business rules for each Principle, and the Principles themselves, are consistently implemented by state and territory governments and that there are no differences in the interpretation and application of the Principles and their underpinning business rules.

It will be equally important for all levels of government to engage with key stakeholders in the wool industry to ensure that the traceability systems and requirements for wool producing sheep and wool bales are integrated consistently as well.

## Responses to consultation questions

### **Impact of property identification reform on the Australian wool industry.**

#### *On-farm*

As for all livestock industries, reforms to property identification in Australia will affect woolgrowers the way in which it will affect other livestock producers. Roll-out of recommendations arising from the reform must be simple in their ability to be transitioned to by primary producers and result in zero disruption to their business. While the transition period may cause initial teething problems, communication and extension activities and a defined transition period will assist with any changes arising during a reform to property identification. WoolProducers supports a nationally harmonised property identification code system, where property identification codes are consistent across states and territories.

#### *Off-farm*

The wool industry has several tracing systems in place that enable wool to be tracked throughout the supply chain. The impacts of this reform should be minimised to assist continuity of business without disruption. Assistance to transition to any requirements arising from the reform will need to be seamlessly conducted to meet changed property identification.

### **Minimising disruptions, including integrating with existing or planned systems.**

WoolProducers supports property identification reform however it must be introduced with minimal disruption. For this to occur, WoolProducers suggest the Department of Agriculture explore mechanisms that will:

- Automatically link new property identifiers to previous property identifiers for an implementation period.
- Establish effective communication strategies to assist farmers understand the new system and to allow time for their new property identifiers to be learned.
- Manage changes in traceability systems and their associated elements that use property identification (e.g. the National Wool Declaration, wool bale traceability, the National Livestock Identification System and National Vendor Declarations) to seamlessly transition to the new property identification system.
- Assist existing wool schemes/programmes that provide provenance guarantees to ensure that they are easily transitioned to use of new property identifiers.
- Enhance existing traceability requirements (in terms of property identification) of identification systems used for sheep in Australia.
- Establish a nationally harmonised property identification system to simplify identification through nationally consistent principles and underpinning business rules that are adopted and implemented by all jurisdictions in Australia.
- Enable efficient tracing of Australian wool throughout the international supply chain back through the Australian supply chain to its on-farm origin.

### Points in the supply chain that require a property identifier.

To enable effective traceability throughout the wool supply chain, points within the pipeline that may require a property identifier include:

- Farms;
- Travelling stock routes;
- Saleyards;
- Holding yards/transit centres;
- Abattoirs;
- Showgrounds;
- Live animal export facilities;
- Wool stores and selling centres;
- Warehouses;
- Processing facilities, and
- Ports.

Figure 1<sup>3</sup> identifies these points in the supply chain that may require a property identifier using an outline of the New South Wales wool supply chain. This diagram can be extrapolated to provide insight to the movement of wool through the supply chain in other states, and nationally through wool that travels interstate to ports for export, supporting the need for a nationally harmonised property identification system. Figure 2<sup>3</sup> identifies the movement of wool in New South Wales (2011) for further information on tracing requirements and to support the requirement for robust traceability within the wool supply chain, which can be underpinned by property identification.

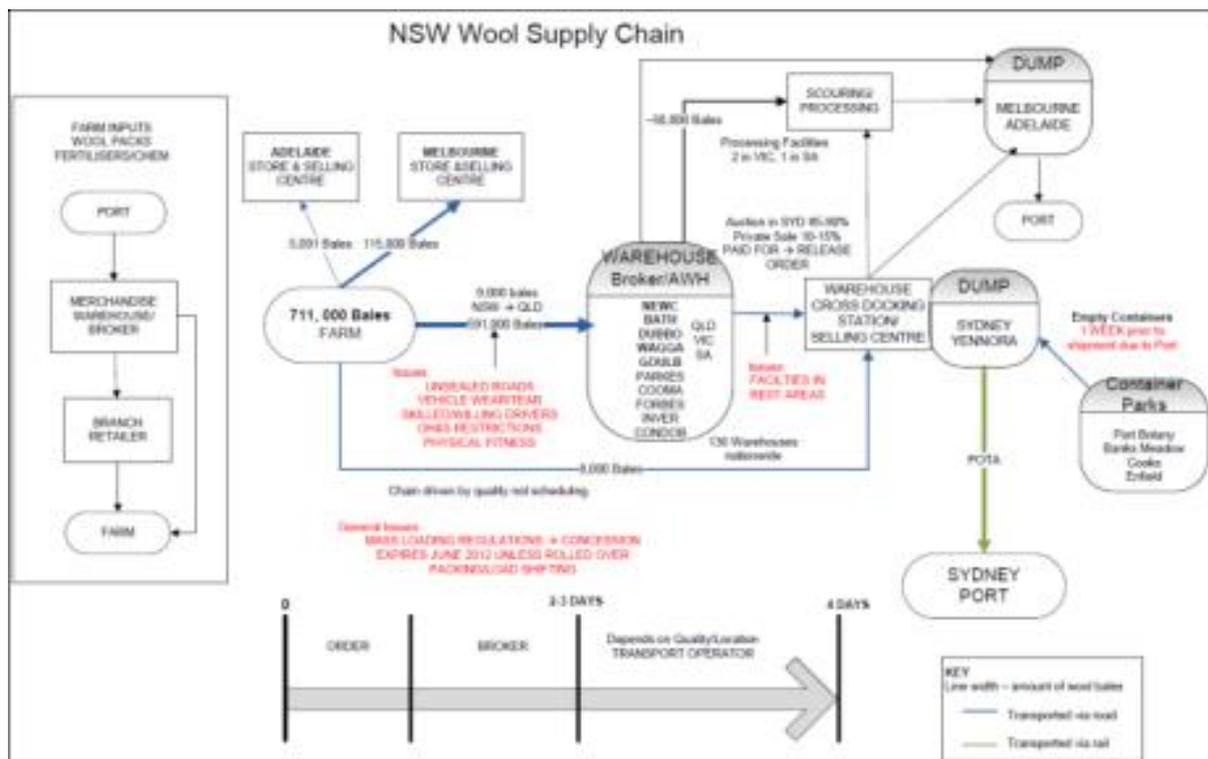


Figure 1 NSW Wool Supply Chain

<sup>3</sup> NSW Department of Primary Industries, 2015, *NSW Wool Industry and Future Opportunities*, [www.dpi.nsw.gov.au](http://www.dpi.nsw.gov.au)



in discussions to look at the development of a system, similar to the National Livestock Traceability System, that can provide enhanced traceability for wool bales throughout the domestic supply chain. The Australian Wool Exchange (AWEX) has also commenced a pilot program of using RFID technology to trace wool bales through the supply chain. As this process is developed, the potential to form compliance requirements will exist that will enhance the ability of the industry to implement strong traceability practices, enabling product to be traced one step forwards and one step backwards, at a minimum.

Information provided by AWEX informs that the current ability for wool handling organisations to trace wool, including determination of wool bale location and handling history, is effective. Most organisations have software inventories and ownership records that can be accessed to trace wool bales. However, the ability to access this information may vary. Areas where improvements can be made include better tracing of wool bales where records of their origin are not well recorded, and in rehandle facilities where it is difficult to ascertain whether wool from a specific origin has been pressed or is *in situ*.

An emergency animal disease will likely be the main cause that will require rigorous tracing of wool through the supply chain. Wool supply chain stakeholders are aware of this. Therefore, the ability to trace backwards to the originating farm will be a prominent feature of a wool supply chain traceability system that WoolProducers will advocate for.

#### *Internationally*

While property identification reform will be focussed domestically, it is important that wool is able to be traced throughout the supply chain. Australia exports 98 per cent of its wool, primarily greasy wool, which is processed offshore. During processing this wool is often blended and it is important to maintain provenance and the ability to trace backwards to points in the Australian wool supply chain for biosecurity and quality assurance purposes. Any reforms arising from this consultation will have implications for how this tracing may occur; therefore, transition to reformed property identification must be seamless and efficient and not impact on business continuity domestically or for our international trading partners.

