



Queensland's sheep and goat meat strategy

Adding value to regional processing



Queensland
Government





Message from the Minister

Queensland's sheep and goat meat industries are surging back to life after decades of decline caused by wild dogs, drought and poor sheep and wool prices. Set to benefit from this resurgence are local farmers, town workers and their communities—from the Darling Downs through to the vast sheep and goat-producing areas of the Outback.

When I travel across Queensland and speak with producers, industry leaders, processors, local government and communities, it is clear more could be done to benefit and create jobs in regional towns.

In response, we have developed Queensland's first sheep and goat meat strategy to help our regions take advantage of increasing global demand for red meat. Rebuilding sheep and goat numbers, improving regional processing capability and value chain innovation will advance our world-class produce.

With continued support from the Palaszczuk Government, we aspire to double the value of sheep and goat meat production and create new employment opportunities for regional communities like Charleville, Cunnamulla, Goondiwindi, Longreach, Richmond, Roma, St George and Winton.

We will work with the sheep and goat meat processing sector to reach its potential—from larger export-focussed businesses to smaller family-run processors with a domestic focus.

Investment in programs, services, technology, collaboration and partnerships will help create jobs and protect our meat value chains from future disruptions.



This strategy will ensure our producers, processors, butchers, small goods manufacturers, transport and logistics businesses and chefs continue to provide Queensland consumers with world-class, naturally grown, sustainable sheep and goat meat into the future.

Queensland's sheep and goat meat strategy complements Queensland's future-focused agribusiness and food, technology and diversification strategies to unlock regional jobs and expand value chains.

I look forward to seeing growth in our rural and regional towns through our investments to support increased sheep and goat meat production, processing and manufacturing.

Honourable Mark Furner MP
Minister for Agricultural Industry Development and Fisheries and Minister for Rural Communities

About this strategy

Queensland's sheep and goat meat strategy was announced in October 2020 as part of the Queensland Government's *Outback Queensland Unite and Recover Plan* in response to the COVID-19 pandemic. It seeks to capitalise on expected growth in sheep and goat numbers resulting from government and private investment in cluster fencing to protect livestock from predation.

The strategy was developed by the Department of Agriculture and Fisheries, supported by technical advice and research from BDO Services, Hall Chadwick Queensland, the Rural Economies Centre of Excellence, Thomas Elder Markets and Queensland's Health and Food Sciences Precinct. To ensure industry relevance it has been informed through consultation with AgForce Sheep & Wool, the Australian Meat Industry Council and the Goat Industry Council of Australia.

This strategy seeks to promote and support growth in Queensland's sheep and goat sectors—placing particular focus on Queensland's small-scale processors—to maximise opportunities for job creation and economic activity in our rural and outback towns.

Its actions focus around seven key elements to be delivered over five years.

Key elements

1 Consumer focus

Use market research and consumer feedback to inform chefs, butchers, processors and producers of the livestock breeds, eating quality, meat cuts and meals that will experience demand growth into the future. Accelerate domestic and export market growth by providing consumers with the products they value highly.

2 Tomorrow's technology today

Accelerate value chain growth through technology—including paddock-to-plate traceability—to enhance production, marketing, whole-of-chain consumer feedback, market access and demand.

3 Local production, local processing, local jobs

Increase business owners' capacity to grow the value of their products through branding, food provenance, manufacturing capability, regional tourism and hospitality, food networks and accreditation systems to build domestic and global recognition and demand.

4 Skilled local workers

Work with industry and communities to deliver local and regional training for a skilled workforce along the value chain—including livestock production experts, meatworkers, food safety inspectors and butchers—complemented by international workers living in our regional communities.

5 Healthy, safe and secure food

Underpin confidence in Queensland sheep and goat meat products by demonstrating world-best standards in animal welfare, sustainable farming practices, environmental protection, food safety, quality assurance, ethical production and biosecurity. This will boost Queensland's global reputation for quality meat production.

6 Sustainable supply

Collaborate and partner with on-farm research and advisory services to increase sheep and goat numbers, improve animal health and productivity, build resilience and adapt to and mitigate climate change. This will ensure consistent supply of quality livestock to meet projected growth in both domestic and export markets.

7 Markets for the future

Continue to nurture partnerships between processors, exporters, Trade and Investment Queensland, the Department of Foreign Affairs and Trade, Meat and Livestock Australia and other key marketing groups to access and develop new export markets and reduce the risk of trade disruptions.



1345 family-run sheep farms in Queensland

2.1m sheep across Queensland

~70% are in Queensland's Outback

~25% are in the Western Downs and Goondiwindi shires

~80% are Merino for wool and meat

~20% are Dorper, Aussie Whites and Merino cross for meat



500 family-run goat farms in Queensland

325 000 goats processed per annum

Majority are **Rangeland** goats

Half are supplied from NSW

Increasing numbers of farmed **Boer** and **Kalahari Red** breeds



30+ family-run sheep and goat processors in Queensland

350+ people

estimated as directly employed in regional towns by the sheep and goat processing sector

More than half

of the sheep produced in Queensland are processed in NSW and Victoria

60% expected rise in Queensland's sheep meat production

22% forecast growth in global sheep meat consumption



More than 10m ha

is estimated as protected from harmful wild dog attacks by specialist fences

~19 000km+ new fences built

Stimulated by **\$60.75m** total investment from the Queensland Government

Creating rural construction, farm and processing jobs



■ Wild dog protected areas

Within 5 years:

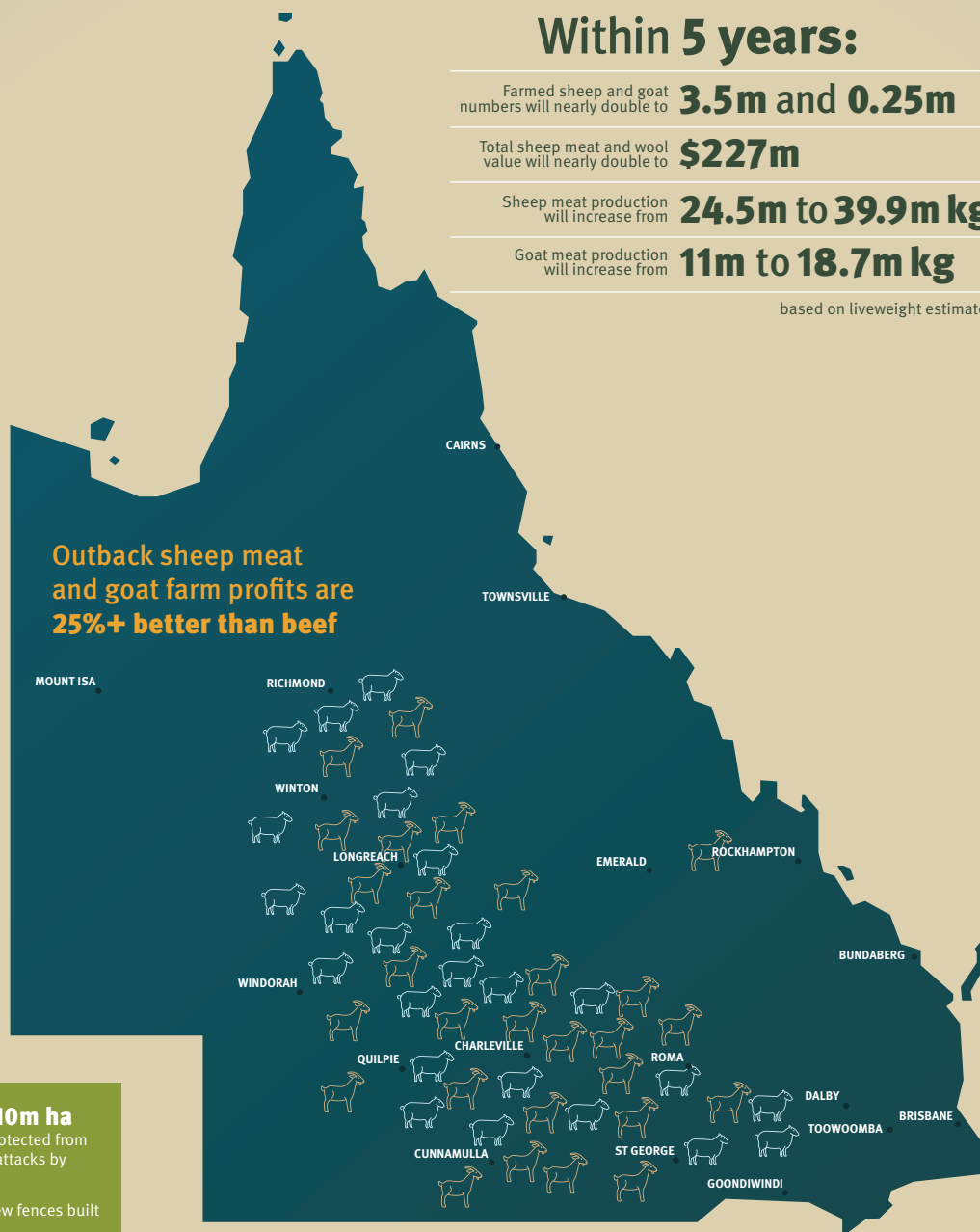
Farmed sheep and goat numbers will nearly double to **3.5m and 0.25m**

Total sheep meat and wool value will nearly double to **\$227m**

Sheep meat production will increase from **24.5m to 39.9m kg**

Goat meat production will increase from **11m to 18.7m kg**

based on liveweight estimates



Figures based on 2019–20 data



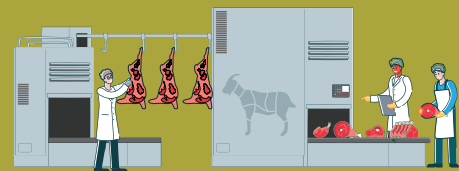
INTERSTATE PROCESSING



FAMILY-RUN MICROPROCESSORS



OUTBACK TOURISM



REGIONAL PROCESSING

EXPORT



\$59.1m

total goat meat and product exports

1. USA **\$40.67m**—69%
2. Taiwan **\$11.42m**—19%
3. Korea (ROK) **\$2.35m**—4%
4. Canada **\$2.04m**—3%

\$25.9m

total sheep meat and product exports

1. China **\$15.74m**—58%
2. USA **\$5.85m**—21%
3. Japan **\$2.22m**—8%
4. PNG **\$1.35m**—4%



URBAN, MULTICULTURAL & FOODIE MARKETS

Queensland's sheep and goat meat industries

Queensland's sheep and goat meat industries have an unprecedented opportunity for growth and prosperity. Demand for Australian sheep and goat meat is increasing and prices are forecast to remain strong for the foreseeable future.

As key global exporters of goat meat, Queensland producers have benefited from an almost five-fold market value increase since 2003, with prices recently peaking at more than 900 c/kg (dressed carcass weight) in 2020–21. During this time, Queensland's lamb and mutton producers enjoyed an almost doubling and tripling in market values respectively.

In 2019-20, Queensland exported \$85 million of sheep and goat products into markets including the USA and China. This export value chain begins with Queensland's sheep and goat producers and is supported through additional goat supply from New South Wales. Queensland's major export-focused processor is based at Charleville and employs more



than 160 staff, contributing strongly to the region's economy.

Queensland's domestic supply of sheep meat—especially lamb—is dominated by well-established production and logistic chains that originate in southern Australia. Specialist sheep and goat meat products are supplied to the Queensland domestic market by about 30 small-scale processors in regional and outback Queensland. Most of these processors are integrated with a butcher shop and many also breed or finish their own livestock for processing. Domestic demand for Queensland sheep and goat meat is increasing within urban hospitality, outback tourism and rapidly growing multicultural markets in Cairns, Townsville and the south-east.

Accelerating growth

Queensland is well-positioned to capitalise on increasing sheep numbers, which are anticipated to rise to 3.5 million head by 2026. This growth is driven by expansion of wild-dog exclusion fences and favourable livestock prices as the global market for protein continues to expand. Farmed goat numbers are forecast to reach 250,000 head by 2026 as traditional cattle and sheep producers seek to diversify their income, better match grazing systems to available feed and take advantage of record goat meat prices.

Growth in Queensland's export and domestic value chains require different approaches. The export chain needs greater certainty of supply of large numbers of livestock which meet the expectations of global consumers, continued access to international markets and a skilled workforce. The domestic value chain needs upgraded facilities, direct marketing systems and to understand emerging trends in consumer expectations—especially increasing demand for Queensland-produced sheep and goats that are well treated, well cared for and free from disease.



Technology will play an increasingly important role in value chain growth—including uptake on-farm, in processing facilities, for transport and logistics, in retail and in hospitality. Enhanced digital connectivity, on-farm monitoring of livestock and pastures, improved weather forecasting, DNA-based breeding tools and paddock-to-plate traceability are examples of technologies that industry will need to rely on. These technologies have the potential to realise whole-of-chain feedback systems, increase consumer satisfaction and create new market opportunities.

As sheep and goat numbers increase, more jobs will be created on-farm and the economies in our rural and remote communities will benefit from increased on-farm profits and farm inputs. Queensland's value chain needs to be equipped to take advantage of the opportunities in local processing, food manufacturing and hospitality.

Key findings

The strategy development focused on: understanding future drivers of sheep and goat meat demand; identifying opportunities to add value and investment along the supply chain; analysing Queensland's sheep price trends and medium-term outlook; evaluating consumer preferences for Queensland sheep and goat meat; exploring the potential for meat provenance in outback tourism and other markets; and estimated future sheep numbers.

Research and industry consultation has identified:

- Sheep and goat farming is 25 per cent more profitable than beef in outback Queensland, boosting producer confidence to diversify their income and production systems.
- Growth in sheep numbers—both Merino and meat breeds—is needed to provide consistent supply, improve processing volumes and meet increasing domestic and export demand.



- Increasing numbers of farmed goats are needed to provide greater certainty of supply, underpinned by improved knowledge of nutrition and production systems.
- Export market access and diversification into new markets is crucial to drive continued growth and buffer against potential trade disruptions.
- Export opportunities for value-added proteins—including traditional animal proteins—are forecast to increase until at least 2025.
- Queensland consumers want better access to sheep and goat meat and are keen to support local farmers and small businesses.
- Increasing viability of a diverse range of small-scale processing locations is essential for regional growth and to safeguard Queensland's food supply from future disruptions.
- Key Queensland domestic growth opportunities are in wholesale, hospitality and retail speciality markets. Educating younger consumers about the benefits of locally-produced lean meats with strong environmental credentials will support industry growth.
- Increased investment opportunities are needed for expansion and improved efficiency of existing facilities to meet consumer demand. There is also an opportunity to increase value and accelerate regional growth and jobs through accreditation (such as halal and organics), local manufacturing and improved cold chains.
- Communicating consumer feedback through traceability systems along the value chain should be used to improve meat-eating quality and attributes. This should also drive innovation on-farm, in transport and logistics, processing facilities, manufacturing, hospitality, food service and product development.



- Skilled labour is required in regional areas and in the short-term schemes to bring skilled workers from other countries need to continue—including collaborative programs to integrate workers into their new communities. In the medium-term, training opportunities need to be explored to promote local employment in regional Queensland.
- Domestic and global consumers expect world-best standards in animal welfare and health, low chemical and hormone use, environmental protection, food safety, ethical production, biosecurity and traceability. These are all essential to drive market access.



Actions under the strategy

Queensland's sheep and goat meat industries are at a turning point to make the most of accelerated growth over the next five years. To realise this potential the strategy will deliver on-ground actions across seven key elements. The Department of Agriculture and Fisheries will:

Consumer focus

- Deliver a comprehensive analysis of Queensland's sheep and goat meat industries, based on new research and industry consultation. This will outline consumer trends and preferences and identify potential for growth.
- Work strategically with peak livestock production and processing industry bodies through extension service providers to encourage value chain focus on consumer-driven preferences and demand cycles.

Tomorrow's technology today

- Explore links across a range of government programs to support sheep and goat value chain businesses to adopt digital solutions that improve productivity, traceability, biosecurity and food safety.
- Coordinate opportunities in sheep and goat research, development and extension services, partnerships and collaboration to accelerate meat sheep and goat production, processing and manufacturing.

Local production, local processing, local jobs

- Prioritise actions within the Queensland Government's \$4 million Rural Agricultural Development scheme to drive value chain

innovation, increase the volume and value of meat processed in Queensland, create manufacturing and marketing opportunities and grow regional jobs and economies.

- Support agribusiness growth and job creation through Rural Economic Development grants.
- Explore links across a range of government programs to support diversification into sheep and goat value chain opportunities, especially through agritourism.
- Coordinate opportunities with Queensland's future-focussed agribusiness and food strategy to maximise the benefits for regional jobs and economic development.

Skilled local workers

- Explore local workforce solutions through collaboration with the Queensland Agriculture Workforce Network.
- Leverage existing skilled workforce schemes such as the Pacific Labour Scheme and Seasonal Worker Program to continue to attract skilled workforces to regional Queensland.
- Work strategically with industry, TAFE, universities and the private sector to identify opportunities for training, development and retention of skilled workers using a variety of channels and mechanisms.

Healthy, safe and secure food

- Continue to invest in Safe Food licencing for domestic markets and engage strategically with the Australian Government for export markets.
- Continue to work with peak sheep and goat industry bodies to influence and shape future opportunities linked to healthy, safe and secure food.



Sustainable supply

- Work with AgForce to implement an industry-led approach to double the value of sheep and goat meat production.
- Promote growth of livestock numbers through continued investment in wild dog control. Five million dollars has been committed in round five of the Queensland Feral Pest Initiative announced under the *Queensland Unite and Recover Plan*.
- Continue to support on-farm growth and sustainable land management through existing networks and services such as *Leading Sheep*, *Going into Goats* and associated extension programs.
- Connect producers with new drought assistance measures and improved farm resilience planning for future droughts and other business risks co-funded through the Australian Government's *Future Drought Fund*.
- Investigate high return on investment emissions reduction strategies across the value chain.
- Maintain ongoing commitment to world-class animal welfare standards through policy and regulatory instruments.

Markets for the future

- Continue to engage with key industry stakeholders in Queensland and boost existing partnerships with Meat and Livestock Australia, the Australian Meat Industry Council, the Goat Industry Council of Australia, Sheep Producers Australia and Australian Wool Innovation.
- Work strategically across government to support sheep and goat production, transport and processing opportunities.
- Foster links between tourism and economic development groups to grow the potential for locally-driven demand. This will enable industry to capitalise on shorter value chains and local provenance, growing sustainable domestic markets for Outback and Darling Downs sheep and goat meat products.
- Capture opportunities of increasing domestic demand for Queensland-produced goat and sheep meat in regions with rapidly growing multicultural populations.



Part of the bigger picture

Queensland's sheep and goat meat strategy is a component of the Queensland Government's *Outback Queensland Unite and Recover Plan*. It supports ongoing recovery and growth in agriculture and food processing and has strong links to agritourism, agtech and Queensland's future-focused agribusiness and food strategy. It is complemented by the Queensland Government's \$4 million Rural Agricultural Development scheme and ongoing investment in the Queensland Feral Pest Initiative.

The strategy adds value to the Queensland Government's total investment of \$60.75 million (to 2021) into the construction of cluster fences to control wild dogs and support the resurgence of our sheep and goat industries. The Queensland Government has directly contributed to about 9000 kilometres of fencing enclosing 6.5 million hectares of land, protecting livestock from harmful wild dog attacks and enhancing farmer livelihoods and wellbeing. Private landholders and local governments have also invested funds, resulting in a total of 19 0000 kilometres of fencing protecting about 10 million hectares of grazing land.

Measuring success

Queensland's sheep and goat meat industry will be proactive and responsive to consumer demands to supply the products they value highly. The success of the key strategic themes will be measured through changes in key criteria between 2022 and 2026:

- Double the throughput and increase the value of the sheep and goat meat processed for domestic consumption and for export, reported through Australian Bureau of Statistics data.



- Increased investment in the value chain, as evidenced through matching industry funds for relevant Queensland Government grants.
- Increased number of value chain jobs within outback and regional Queensland, reported through Queensland Government initiatives and regional economic data.
- Increased investment in state-of-the-art whole-of-supply-chain traceability technologies, carcass grading systems and facility upgrades through Queensland Government grants.
- Contributing to improved market access through strategic industry engagement with consumer feedback and Queensland and Australian government regulatory and export services.



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